

## EXTENSIONS OF REMARKS

## CARTER'S CALM STRENGTH

## HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. COELHO. Mr. Speaker, I would like to share with my colleagues an editorial which appeared in the Christian Science Monitor on Friday, November 13, following President Carter's news conference on the Iran crisis.

All Americans can be proud of our President's firm but peaceful response to this extraordinary, illegal, and unprecedented move by the Iranian Government. He has indeed "embraced the best qualities of leadership" and deserves the support of all of us.

The article follows:

## CARTER'S CALM STRENGTH

President Carter embraced the best qualities of leadership in his news conference Wednesday night. In the trying situation of the continued captivity of US citizens in Iran, he conveyed to the American people a sense of composure, dignity, and resoluteness. He did not say "never" to the use of U.S. military force in the Iranian situation, an option he could not politically or diplomatically rule out. But, we are happy to say, he chose to put the nation's weight in the scale of restraint and peaceful diplomacy. No doubt he sought to persuade Americans of the continuing need to keep their own tempers in check. The next few days, as the Iranian people emotionally celebrate a religious holiday and vote for a new Islamic constitution, especially call for public calm in the United States.

What struck us as particularly significant in the President's remarks, however, had less to do with Iran per se than with America's place in the world generally. Mr. Carter warmed most to a question many Americans have on their minds these days: namely, is Iran but the latest in a succession of events proving that American power has declined? And what does this mean for US foreign policy in the 1980s? The President, rejecting the idea that the US has lost its superior military, economic, or moral strength, nonetheless made this forceful point:

"The United States has neither the ability nor the will to dominate the world, to interfere in the internal affairs of other nations, to impose our will on other people whom we desire to be free to make their own decisions... if anybody thinks that we can dominate other people with our strength—military or political strength or economic strength—they are wrong. That is not the purpose of our country. Our inner strength, our confidence in ourselves, is completely adequate."

This sober view offers Americans food for thought. It is voiced at a time when many people—in the government, in the media, in academia—seem obsessed with and depressed by what they perceived to be a growing US weakness in the world. The headline on a recent cover of Newsweek—"Has America Lost Its Clout?"—is indicative of the mood. The magazine's analysis points to the political changes in Iran and Nicaragua, the Soviet inroads in Africa and Afghanistan, the rise of OPEC, and other "blows" to America's pride and prestige. Yet, as the journal also

notes, US prospects look much better than do those of its chief rival, the Soviet Union, whose bankrupt ideology, indolent economy, and authoritarianism are not the model the world looks to for its progress and whose foreign policy "gains" could be built on shifting sands.

Our purpose here, though, is not to weigh the relative geopolitical strengths of the US and the USSR but to make the point again that both superpowers today function in a world of rapid political change requiring each side to moderate its actions. Neither can impose its will or "dominate," as Mr. Carter rightly says, but it is dealing with forces—nationalistic, tribal, religious—which diminish the usefulness of military power. By all means the US must be prepared to use physical force to defend its legitimate interests and those of its allies. The Iran crisis does seem to be wrenching Americans loose from the psychological reluctance even to contemplate vigorous action abroad after the humiliation of the Vietnam war. We count that a healthy recovery.

But it is important that the pendulum now not be permitted to swing to the other extreme in a misguided sense that it is military power which primarily demonstrates the nation's strength, influences events, or wins friends. US Treasury Secretary G. William Miller in fact comments after a tour of Gulf countries that leaders there hope the US will avoid force or violence which could set off a chain reaction in the region. No, America's real strength will be evidenced in the dignity and maturity with which it handles its foreign policy challenges. In its wisdom of knowing when to choose military power and when to exercise caution. In its ability to understand and respond to other nations' yearnings for their own sense of identity. In its willingness to admit its mistakes and learn from them. In its determination to put its own economic and energy house in order. And, not least of all, in its capacity for righteous government.

Such a United States will feel no need to "dominate" the world. But it will continue to influence others constructively through the force of its own economic, political, and moral vitality. Mr. Carter's comment should help Americans keep Iran in perspective.

## SENATOR CHARLES POTTER

## HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 26, 1979

● Mr. RHODES. Mr. Speaker, last week we laid to rest a man who truly was a hero in service to his people and his country, former Congressman and Senator Charles E. Potter of Michigan.

His public service spanned more than 15 years, and it was my privilege to meet him and to know him as a public servant who loved his country with a devotion borne of principle, loyalty, and courage.

Enlisting as a private during World War II, he later received an officer's commission, was wounded three times during the Battle of the Bulge and lost both legs after stepping on a German land mine. His decorations included the

Silver Star, the Bronze Star, the French Croix de Guerre, and three Purple Hearts.

After service in the House, he won a special Senate election in 1952 to fill the unexpired term of the late Senator Arthur H. Vandenberg, and continued in the Senate until 1958.

Senator Potter leaves behind a distinguished record of public service, and I extend my deepest sympathies to his wife, Betty, and their daughter, Mrs. Wendy Cundy.●

MELVIN J. CARRO HONORED BY  
LIFELINE CENTER

## HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. WOLFF. Mr. Speaker, on Saturday, December 1 the Lifeline Center for Child Development held its annual Candyland Ball to help raise funds to support the services it provides to seriously emotionally disturbed children. Founded in 1959, the Lifeline Center for Child Development is devoted to meeting the needs of severely disturbed children of all races and creeds. It is the only day-school treatment, recreation and research center of its kind which treats and educates mentally ill children from the entire city of New York. I would like to take this opportunity to commend the Lifeline Center, its officers, trustees, and staff, for their outstanding work.

While many of the people involved with Lifeline are my constituents, I would like to pay a special tribute to Melvin J. Carro, who was honored this past Saturday by Lifeline. Mel Carro is a Lifeline vice president and trustee, my constituent, and long-time friend. I join with the Lifeline Center in honoring Mel for his dedication to the needs of seriously emotionally disturbed children in the city of New York. As chairman of the Lifeline building committee his efforts contributed importantly to the acquisition of Lifeline's new facility. Through his work I am proud to say that the children of Lifeline will continue to receive what are perhaps the finest services of this kind in the United States.

Finally, I would be remiss if I did not say a few words about the Lifeline children themselves. The 120 children served by Lifeline range in age from 2 to 16. They are special children with special problems which require special treatment. The success of the Lifeline Center in meeting the needs of these children was apparent this Saturday night when about 2 dozen of them sang and danced for the almost 400 persons attending the Candyland Ball. The fact that many of

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

these children neither spoke to, nor made eye contact with, another human being only a few short years ago, speaks more praise to the work of the Lifeline Center than anything I, or anyone else, could possibly say. These children are on their way to leading fuller and more rewarding lives, and for this the entire city of New York is indeed proud of the Lifeline Center for Child Development.●

#### THE FTC IS AT IT AGAIN

### HON. MARTY RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. RUSSO. Mr. Speaker, on November 27 the House approved H.R. 2313. That legislation contains an amendment by me prohibiting the Federal Trade Commission from promulgating its proposed funeral rule. If anyone still cannot believe this amendment is needed, they need only review the Federal Register of November 14. That register contains an FTC request for clearance to do a "survey to identify recent purchases of funeral services."

In their justification for the request, this is what the Commission says:

One action presently being considered by the Commission is the promulgation of a trade regulation rule (TRR) which would require the disclosure of prices related to funeral services. The rule would also require certain other disclosures as well as prohibit certain practices.

*Because no in-depth information about the purchase of funeral services has ever been gathered, this survey is necessary to allow an evaluation of the impact of this proposed rule. Because of the low incidence of funeral service purchasing this study requires a screening questionnaire to identify consumers who have recently purchased funeral services. The screening questionnaire is the subject of this clearance request. The main data collection effort will also utilize a mail questionnaire and a separate clearance request will be sent for that questionnaire.*

This is unbelievable. Both Houses of Congress approved a joint resolution on November 16 continuing appropriations for fiscal year 1980. The FTC is not supposed to initiate any new activities or to expend funds for the final promulgation of trade regulation rules. I would say the FTC is undertaking a new activity and intends to expend over \$30,000 in funds. Their justification shows they will use the survey in considering whether to promulgate the funeral rule.

I would hope that this questionnaire is stopped. It violates the intentions of H.R. 2313 and Public Law 96-123, the Appropriations Act.

This also is of interest because the FTC itself says "no in-depth information about the purchase of funeral services has ever been gathered." This is what I have been trying to tell people. They don't even have a record down at the Commission to substantiate a rule. Now here they are at this late date, after spending approximately \$1.5 million of taxpayer funds, seeking even more in-

formation after their record has long been closed.

The House acted properly in supporting my amendment. Obviously, only its enactment into law will get the message to the bureaucrats at the FTC.●

#### A PLEA FROM GUATEMALA

### HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. ASHBROOK. Mr. Speaker, at a time when a major crisis is focusing world attention on one part of the world it is easy to overlook actions that are occurring in other parts of the world. We should remain aware, however, of the fact that each action, or inaction, taken by the United States in one part of the world does have impacts elsewhere. One of the reasons we have seen the security of our diplomatic corps vanish under the Moslem radicals in Iran is that U.S. foreign policy has set the stage for rebellion through appeasing the enemies of America.

This point came through loud and clear recently when a group of citizens from Guatemala meet with Members of Congress and staff regarding the future of their country. They expressed grave concern over the way the United States has handled itself in world affairs under the Carter administration. They pointed to the abandonment of Taiwan, to the undermining of Somoza, and to the lack of response to Soviet troops being in Cuba. These and other incidents have eroded their faith in the United States to act on behalf of itself or its friends in the world.

They appealed to the Congress to recognize that Communism is on the march in Central America and is now threatening Guatemala. They spoke from their own first-hand knowledge of what is happening. Some of them have been victims of terrorism or had friends, and in one case family, killed or wounded by Communist guerrillas. Their plea for help is not a demand for money or for troops, it is a plea to the United States to not knowingly or unknowingly aid those who would destroy their nation.

There is already evidence that the Carter State Department is stopping loans to Guatemala and dissuading large investment banks from backing business ventures there. This is an incredible turn of events. As we watch the tragedy in Iran unfold we should remember that there are indications that Mr. Carter may have hastened the fall of the Shah through Maj. Gen. Robert E. Huyser's mission last January. What is past may be prologue and we may now be watching another nation being set up for collapse. I offer the Guatemala plea as a timely warning:

#### MEMORANDUM

We are most grateful for the opportunity you have given us to exchange a few thoughts with you concerning the necessity of improving the existing relations of your country,

not only with Guatemala, but with all of Latin America.

The purpose of our visit is to convey to you what we believe is the honest opinion of the friends of the United States in Latin America in general and Guatemala in particular, regarding our relationship with the United States.

No problems exist in the direct relations between citizens of our two countries. Business affairs have always thrived in congenial arrangements of mutual benefit and respect.

We do however, have very serious problems with the official attitude of your government, and on this particular we would like to take a few minutes of your time.

Our beautiful Guatemala is incomparable to the rest of the world. We are one race of Indian and Spanish admixture in which the existence of racial problems is impossible; however, we do have varied cultures. The majority of our people are bilingual, since they speak both Spanish and the Indian dialects. We adhere to both Indian and Spanish traditions and customs.

Our people are industrious, deeply religious and respectful of the rights of others and of their dignity. We enjoy absolute freedom of expression, a representative type of government and are firm believers in the system of free and competitive private enterprise. We are proud of the fact that ours is one of the least socialistic countries in the world. The majority of our banks are private owned and so is our transportation system (except for the railroads), as well as our insurance companies, our industries, our commerce, a good number of our hospitals and even many of our social welfare institutions.

Guatemala borders on both the Pacific Ocean and the Caribbean; it has an area of 42,000 square miles and a population of more or less 6,800,000. Its gross national product per inhabitant is \$827.00, one of the highest in Central America. Its main industry is agriculture with coffee, sugar, cotton, cattle and bananas being the main products of export. The formation of the Central American Common Market made the establishment of new industries possible. Guatemala is the largest manufacturer and exporter of a great variety of goods, mostly to the other Central American countries. In consequence, our balance of payments has been very favorable during the last decade. Our agricultural land is more than fairly distributed, since most of it is owned by small land owners. The titles of communal lands belonging to small towns and villages throughout the country were emitted by the King of Spain and have been in the hands of the same Indian speaking—communities, in some cases, during more than 400 years without interruption. We still have problems, despite our booming economy and the tremendous growth of our middle class. We are still plagued by some poverty and illiteracy. But we have progressed very much, especially during the past fifteen years, and our people have attained standards of well-being never experienced before; however, given the opportunity, we can and we shall do even better in the near future. There are two problems:

(1) Russian aggressiveness;

(2) The attitude of the present United States Government towards such aggressiveness.

It is said that "no man is free if he can be terrorized by his neighbor." As you are very well aware, no country in the world has accepted the imposition of the communist system of its own free will; there is definitely not even one case in history where communist tyranny was introduced in a state by the majority decision of its own people. Mr. Alexander Solzhenitsyn points out the fact that during the 34 years after the end

of World War II, 42 countries of the world have been taken over by the communists.

Latin America has proven to the world that it does not like to live under dictatorships. Our more advanced countries, like Argentina, Uruguay, Brazil and Chile, had enjoyed all the blessings of what we in the West call "democracy" until communist parties and imported communist agents, taking advantage of the freedom specified in constitutions and the guarantees of our legal systems, disrupted our former government to such an extent, that the people in each country were obliged to accept the more or less liberal types of dictatorships, which have usually lasted just long enough for each government to avoid the takeover by communist governments, and to reorganize itself. This has been true especially since World War II. In other words, the pause in the democratic system at the occurrence of a coup has usually been accepted by the people as a necessary evil in the hope that communist aggressiveness will be stemmed in a short time, and a democratic form of government will soon be reestablished.

The communist movements in our Latin countries have comprised small, but very active, very well organized, very well financed and very well disciplined groups of young fanatics and their collaborators.

In the case of our own country, we experienced a spell of communism when Colonel Jacobo Arbenz Guzman, took over the government, but we managed with little help from the outside to overthrow him.

Again in the 60's communist invaders of native and foreign origin managed to take over the northeastern part of our country causing death and destruction and blocking our main port which is on the Caribbean. This time small land owners in the same region soundly defeated the enemy. You may imagine that after two failures, the Russians and their surrogates, the Cubans, are most anxious to take vengeance. After their success in Europe, the Far East, The Middle East and Africa, they are hitting harder than ever in our American Hemisphere. Russian aggression became more active after the takeover in Cuba, Jamaica, Guyana, Grenada and Nicaragua, now have communist governments; and countries in which communist sympathizers have dominated the situation are naturally Panama, Pery, Belize (which is claimed by our country as Guatemalan territory held by the British) and various other small islands in the Caribbean.

Of course, we are not surprised by Russia's attitude and actions, but we are flabbergasted by the responses of the present United States Government toward communist intervention. While we do not favor the evil of dictatorships, we cannot understand, for instance, the attitude of your State Department with regards to Chile. The impression it gives to Latin America is that Chile must be punished for having shaken off a communist government, rather than be aided to reestablish itself in a democratic form of government to which it has adhered throughout its history in a very specific manner.

Mrs. Rosalynn Carter and Mr. Andrew Young, who has a long record as a sympathizer of communism, made separate trips to various Latin American countries and during their stays at Jamaica and Guyana, they expressed their deep sympathies for the systems of governments of these two states, which by the way, have declared themselves to be "marxist-leninist." As Latin Americans, we are very much surprised at your President's insistence on favoring General Torrijos with a new treaty on the Panama Canal, after all he took the Panamanian Government by force, still runs it by force against the will of the Panamanian people, and is a great friend of Mr. Fidel

Castro and the Russians. We keep on asking ourselves why Mr. Carter, so vigorously and so forcefully pushed the Panama Canal Treaty through the House and through the Senate to the benefit of such a government.

As we mention in the case of Nicaragua, we must firstly confirm to you again that we do not believe in dictatorships; we cannot admire a family that installs itself in a country for over 40 years and runs it as it wishes. However, it was too obvious that elements of the far-left were being favored to form a new government.

An internationally known communist, Tomas Borges, was actually given the post of Minister of the Interior, thus controlling the police and lower courts. Cuba, through its radio broadcasts, which can be more clearly heard throughout this hemisphere than the Voice of America emphasized from the very beginning the importance of the victory for the invading communist mercenaries which were armed, organized and financed by Cuba, Panama and Venezuela in Costa Rica and undoubtedly also by the Russian Embassy there, which has a staff of over 220 members, although Costa Rica has no trade dealings with Russia. The State Department could not have chosen a worse alternative at each step of developments in Nicaragua as proven by the results. Now that the Communists are in absolute control of Nicaragua to the extent that they have placed block wardens throughout all of the cities, very much in the style of Cuba and to our dismay, the present United States Government has promised a loan of \$97,000,000, which apparently will serve to install the Russians even more firmly and to finance the operation. Cuba, of course, is a little more effective and is sending "teachers" and "advisors" and opening a new embassy in Nicaragua. This type of team work is most discouraging. We know well what their true role is. Now Moscow will have a second embassy in Central America.

Quite frankly, we cannot understand the present United States foreign policy as it relates to Latin America. It seems to us that while the Russians are trying to pull us into the communist camp, your State Department is helping them in the effort. A change in foreign policy is essential if you are to retain Latin America as a friendly area and as a possible ally.

We cannot think of a United States' presidential term during which the communists have gained so much ground as during the present Administration. This is totally inconsistent with the spirit of liberty and fair play of the American people. We have witnessed the abandonment of Taiwan, the appalling losses in Africa to the communist camp, the surrounding of the sources of oil in the Middle East, vital to the Western World, the constant pressure on South Africa and Rhodesia, the failure to aid anticommunist governments of Iran and Afghanistan, the concessions and consequent weakening of United States' strength with regards to Salt II; the badgering of non-communist regimes in Latin America by the State Department; the fiasco of Nicaragua. And now, the present Administration is bent on pushing Salvador, Honduras and Guatemala toward the left, and, wittings or not, towards communism. The premise is that in order to prevent communism, especially in a developing country, one must induce a change of structures towards socialism. Socialism has been a failure whether applied in developed countries such as Great Britain or in underdeveloped countries such as Peru.

Under the relatively free enterprise system, Guatemala has progressed remarkably, especially during the last fifteen years. Never have so many Guatemalans achieved a standard of living so favorable as the one we now enjoy and with so much freedom. Naturally, we still have many deficiencies and shortcomings but we are overcoming them and will continue to do so by own efforts.

To think that a change in structures, which the State Department is avidly advocating, will improve our situation is a grave and serious mistake. It would only cause further capital consumption and chaos, as in Peru, and bring about the loss of the relative well-being that an increasing number of Guatemalans are experiencing, and principally the loss of our dearest treasure: our personal liberties.

Based on our past record of economic growth and the raising of the standard of living of our people, we are confident that we can solve our problems especially if we can continue to strike towards a market economy. We are not asking for handouts. If we can't solve our problems, we have no right to ask anybody else to solve them for us.

We would indeed like to see a reversal in the official attitude of the United States, which has consisted mainly in promoting the growth of the government sector, in the financial support of ideologically left-wing governments or movements, in exercising pressure on the non-socialistic governments, and in hampering our efforts in defense of democratic institutions. We do not think that your State Department's official policy is conducive to the best interests either of the United States or those of Latin America.

We trust that the coming presidential elections will bring about a more equitable and less anarchic foreign policy. We know the American people to be fair-playing, generous and respectful of the dignity and rights of others. We hope that in the near future those principles will be emphatically projected in your foreign policy; that you may reconstitute the United States' leadership in the eyes of the Free World.

ROBERTO ALEJOS ARZU,  
MANUEL F. AYAU,  
CARLOS WIDMANN,  
ROBERTO BERGER,  
J. C. TROTTER. ●

#### BRONX SCIENCE DEBATE TEAM SCORES AGAIN

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. BINGHAM. Mr. Speaker, one of the fine institutions of learning in my congressional district in the Bronx, N.Y., is the Bronx High School of Science. It is well known nationally for its excellent programs and the achievements of its graduates.

One of its greatest assets is its speech and debate team which has a remarkable record. This year, under the expert direction of Richard B. Sodikow, director for forensics, the debate team—58 students—competed in 1,112 rounds of debate, winning 60 percent, while 92 speakers competed in 1,172 rounds of speech; 208 trophies were won this season as were several tournament championships. These include first place at the tournament of champions, first place at the National Forensic League District tournament for the eighth straight year, and the district sweepstakes award for the sixth consecutive year. In addition, for the third time out of the last four tries, Bronx Science won the New York State Junior Varsity Championship.

I extend my congratulations to the members of the team, to Richard Sodi-

kow, and to Dr. Milton Kopelman, the principal of Bronx Science. I am proud of this remarkable record of talent and achievement.●

#### A FOOD CARTEL CAN WORK

### HON. RONALD M. MOTTL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. MOTTL. Mr. Speaker, I am sponsor of House Concurrent Resolution 129 which calls on the President to form a wheat cartel with Canada, Argentina, and Australia, to combat the skyrocketing price of OPEC oil.

The recent events in Iran emphasize the need for the United States to use all its resources, including food, technology, and equipment, to deal with international events.

Thirty-two other Members of the House have joined me in cosponsoring House Concurrent Resolution 129 and I welcome other cosponsors.

The case for a wheat cartel is made very well by Warren C. Robinson in a column which appeared in last Thursday's Washington Star.

The column follows:

#### THE CASE FOR A WHEAT CARTEL

(By Warren C. Robinson)

We have all gotten used to the idea that "America Feeds the World" and, if this is true, it's puzzling to find the United States on the defensive in international trade and finance. The "cheaper crude or no more food" notion has been received enthusiastically by the grass roots, yet the reception has been cool in Washington.

This is understandable. Government policy-makers pay experts for advice and listen to them. Experts listen only to other experts (if they listen to anyone at all). In any case, one does not expect serious economic policy to originate with a disc jockey.

Yet perhaps it should. The creation of Social Security owed more to an obscure retired physician, Dr. Francis E. Townsend, and the mass movement he launched in 1934 than to farsighted political leadership. Let us rather ask whether there is a valid idea behind the slogan.

What about the formation of a cartel to do approximately the same thing for wheat prices that OPEC has done for oil prices? Could it work?

Objection: There are too many wheat-producing countries to make a wheat cartel workable.

Reply: In fact, there are far fewer wheat-exporting countries of any consequence than oil-exporting ones. Over 80 percent of wheat exports in recent years were supplied by four countries: the United States, Australia, Canada and Argentina. The U.S. alone represents some 40 percent.

Objection: Wheat can be replaced by many other food grains and cereals in human consumption.

Reply: True, and so can petroleum be replaced as a source of energy. But the substitution of rice or potatoes or some other source of carbohydrates in family diets would be difficult for many nations. (The U.S. is also in a strong export position in corn, soy beans and rice.)

Objection: High wheat prices will encourage other nations to increase supply for their own domestic use and also for export.

Reply: Certainly, almost any country can produce wheat, but the dominance of the

grain trade by a handful of countries is based on historical-geographical advantage. The price must rise considerably before it is possible for Saudi Arabia, for example, to become an efficient wheat producer.

Objection: An international price-fixing agreement would cause U.S. food prices to rise also.

Reply: Not necessarily. The government could calculate anticipated U.S. domestic needs and undertake to export only the "surplus." A two-price system requires only that the government act as the sole exporter of wheat.

Objection: The OPEC nations import a minor fraction of the world grain trade.

Reply: The OPEC nations as a bloc account for about half the world's wheat exports.

Objection: Such blatant self-interest in foreign economic policy will invite retaliation and open economic warfare.

Reply: Perhaps. But is it not equally possible that OPEC and other nations may come to see the United States as an adversary which has finally learned the new rules and must be taken seriously again?

Perhaps the greatest objection to such a U.S.-led cartel is our inbred distaste for the idea. But it's time to accept the realities of our present situation. The tradition goal of free multilateral trade and the picture of a U.S. so strong it can ignore foreign economic assaults serve us ill in today's world.

We must gain new leverage in world trade. "Cheaper crude or no more food" may be a simple-minded suggestion taken literally, but it may also be a useful idea. Policymakers in Washington should, one might argue, take fresh ideas these days wherever they can find them.●

#### GREATER SPRINGFIELD'S THANKSGIVING CONTRIBUTION TO THE CAMBODIAN RELIEF EFFORT

### HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. BOLAND. Mr. Speaker, the terrible human suffering which continues in Cambodia has aroused the sympathy and generosity of people in this Nation and around the world. The Congress has already approved \$105 million for the relief program, and other governments have made pledges as well. The plight of those in Cambodia, where only 10 percent of the fields have been cultivated since the end of World War II. The widespread disease and starvation in that land has given a special significance to the holiday season in America.

In my area of Massachusetts, Thanksgiving marked the beginning of an ecumenical appeal for private contributions to the Cambodian relief effort. The appeal conducted by the religious leaders of Greater Springfield has already enjoyed tremendous success, and contributions continue as we approach Christmas. The appeal has given an opportunity for individuals in Greater Springfield to show compassion and sacrifice for those victims of the ruthless Phnom Penh regime. Their contributions are a tribute to the American spirit of sharing with those less fortunate than ourselves which began with the Pilgrims on the first Thanksgiving

holiday. I am proud to bring to the Members' attention the commendable efforts of the people of the Springfield area who have already contributed in excess of \$150,000. We can only hope that the personal sacrifices which have been made in behalf of the Cambodians will serve as a sign to the Phnom Penh government that its brutal campaign of starvation will not go unchallenged by the world.●

#### CONGRESSMAN STUDDS ON THE FUTURE OF THE FISHING INDUSTRY

### HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. DRINAN. Mr. Speaker, my friend and distinguished colleague from Massachusetts (Mr. STUDDS), recently wrote an interesting article about the future of the fishing industry which was published in the Magazine of the November 25, 1979, issue of the Boston Sunday Globe.

Congressman STUDDS' efforts on behalf of our Nation's fishermen are well known to everyone in this Chamber, particularly his successful effort to secure enactment of the 200-mile limit. His article offers an informed and hopeful outlook for this important industry. He cautions, however, that the danger of offshore drilling and the importance of negotiating a new fishing treaty with Canada are critical issues that remain to be resolved.

For the benefit of my colleagues, I ask that the full text of Congressman STUDDS' article be included in the RECORD at this point:

#### THE FISHING OUTLOOK: EXCELLENT, IF WE CAN SOLVE TWO KEY ISSUES

(By U.S. Representative GERRY STUDDS)

On March 1, 1977, the 200-mile fishing limit went into effect in this country. The ensuing two and a half years have brought great prosperity to the fishing industry of New England.

Fish landings and the value of those landings are up in nearly every port; foreign overfishing of our most precious stocks of cod, haddock and flounder has been stopped altogether and will never again be allowed. Badly depleted stocks of fish have begun to regenerate.

Statistics show that last year more than 680 million pounds of fish worth over \$275 million were landed in New England—an increase of nearly 100 million pounds and \$70 million over the record figures of 1977, the year the law went into effect.

The fleet of New Bedford, the highest dollar volume port on the East Coast, had landings worth over \$54 million—an increase of 25 percent over 1977.

But even more important than these impressive statistics is the fact that our two most important goals have been met: we have eliminated the plundering of our stocks by foreign fleets and we have developed the means to protect and preserve our fisheries and to assure that they will remain as a bountiful food source for generations to come.

As a result, the foundation for a very, very

bright future for the New England fishing industry has been laid.

Still, the fishermen of our part of the country will be faced with a great many difficult challenges over the next few years. They will, for example, be asked to comply with regulations governing the type and amount of fish they catch; oftentimes they will feel these regulations are unfair, arbitrary and unnecessary.

I am confident, however, that the solution to this particular problem is within the grasp and control of the fishing industry itself. By working together with their representatives on the Regional Fisheries Management Council, there is no doubt in my mind that more workable and broadly supported plans to manage the fisheries of New England can be developed and implemented.

Another challenge which will confront the New England fishermen will be the necessity to diversify their catch and to harvest in greater quantity underutilized stocks like squid, whiting and mackerel, which are just as nutritious, tasty, and even more economical than traditional stocks like cod, haddock and flounder.

This effort will require a great deal of imagination on the part of the industry itself in order to develop profitable new markets where these fish can be sold. I am hopeful that the federal government will help in this effort by educating consumers about the value of these species and by demonstrating a willingness to purchase these fish through various government procurement programs.

But there are two additional problems whose solutions—unlike species managements and market diversification—are beyond the reach of the fishing industry itself. It is these problems—offshore drilling and the U.S.-Canadian fishing treaty—which could prove to be the biggest obstacle to the continued prosperity of the industry.

At this point, I do not believe that the Carter administration has developed and implemented environmental safeguards adequate to protect the fishing industry from the hazards of offshore drilling, particularly with respect to the disposal of toxic materials raised during drilling operations.

The careless disposal of those materials—drill muds used to lubricate drilling equipment, drill cuttings taken from the ocean floor, and formation waters from the drilling hole itself—could adversely impact upon bottom dwelling fish in the area. It is my view that these materials should be barged offsite rather than dumped overboard on Georges Bank. It would seem that the burden of proof for the safety of these materials should not rest with the fish stocks of the Bank; guarantees for their safety should come from the oil industry before any such dumping is allowed. These types of guarantees have not yet been forthcoming.

With proper management, these fisheries will last for generations to come. It does not make sense to jeopardize them for what could turn out to be a few days' supply of oil, particularly in the absence of strong environmental safeguards. This oil will remain in Georges Bank for many years; a delay in the first lease sale will not affect the amount of oil contained in these reserves.

A delay could however, provide us with the necessary time to develop a workable plan which could provide our fishing industry with reasonable assurances about the safety of drilling operations being conducted in their backyards.

However it is incumbent upon us to remember that the strictest environmental safeguards in the world cannot prevent an oil spill from occurring on Georges Bank. As long as we continue to drill for oil from beneath the ocean floor or transport oil over

the ocean in tankers or under the ocean through pipelines, the threat of an oil spill will continue to loom.

What we can do, however, is seek to minimize the risks, and to assure that offshore drilling is conducted on our terms rather than on those of the oil industry.

The second major problem now facing the fishing industry is the U.S.-Canadian fishing treaty, which in my view is unfairly balanced in favor of the Canadian fishing industry.

I am sorry to say that with respect to this treaty our State Department has once again failed to stand up for the fisheries of this country.

They have instead tried to saddle the industry with a permanent fisheries agreement which provides unfair shares of our fisheries and unfair access to our fishing grounds to the Canadians forever—even if U.S. boundary claims should ultimately prevail and the entirety of Georges Bank is placed under U.S. jurisdiction.

I will continue to work with our senators—who will ultimately be asked to vote on this issue—to develop reservations which can eliminate the most objectionable parts of the treaty.

If this effort is unsuccessful, then it is clear to me that the economic expansion we have witnessed over the past few years, and which we have worked so hard to achieve, could be stifled.

It is the outcome of these two particular problems which will have the greatest impact upon the future of our fisheries. If they can be solved, then I am confident that we now have the tools to guarantee a prosperous future for the fishermen of New England.●

#### OUR ELDERLY AND SERIES E BONDS

### HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. LEHMAN. Mr. Speaker, today I am reintroducing with cosponsors H.R. 2493, legislation to exclude from gross income the interest on series E U.S. savings bonds for those who have reached age 65.

The census figures for 1977 show that our aged have relatively low incomes. For a husband and wife family, where the husband is 65 years of age or older, the median income is \$9,110. In contrast, the median income for all families for this year is \$16,009.

A large percentage of the income of our elderly citizens comes from interest income on savings and investments which have been carefully accumulated during their working years. Yet, we are all aware of the severe hardship which inflation has imposed on our senior citizens who are struggling with rapidly rising living costs.

The rate of return on U.S. series E savings bonds is nowhere near the present rate of inflation. If we want people to "invest in America," there should be greater incentive to do so. Perhaps, after an experimental period, this tax benefit could be extended to the population at large. In the meantime, however, we can

attempt to help that segment of our population which relies most heavily on income from savings.

With my colleagues showing such strong interest in this bill to help our older Americans, I am hopeful that every consideration will be given to this needed legislation.●

#### PROGRESS BEING MADE IN NAZI WAR CRIMINAL INVESTIGATIONS

### HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. LEHMAN. Mr. Speaker, I would like to bring to my colleagues' attention the progress being made by the Office of Special Investigations of the Department of Justice in the investigation and prosecution of Nazi war criminals who still reside in the United States.

Only 3 months have passed since Congress appropriated an additional \$800,000 in order to meet the \$2.3 million budget required for intensifying the investigations. In this short period of time, the Office has filed three new cases. This is a direct result of additional staff and funding under the directorship of Walter J. Rockler, a former Nuremberg War Crime Tribunal prosecutor, and Deputy Director Martin Mendelsohn.

The move by Congress to redouble our Government's efforts to find suspected Nazi criminals in the United States began when Congress amended the immigration law last year to facilitate deportation of "all aliens who persecuted any person on the basis of race, religion, national origin, or political opinion under the direction of the Nazi Government of Germany." My distinguished colleague from New York, Congresswoman ELIZABETH HOLTZMAN who chairs the House Judiciary Subcommittee on Immigration, Refugees, and International Law, led the fight to enlist the cooperation of the Justice Department in this long-overdue effort. The Justice Department finally responded to the congressional pressure by agreeing to transfer the Office of Special Investigations from the Immigration and Naturalization Service to the Criminal Division, thereby upgrading the Office.

It is indeed tragic that our Government has not committed itself until now to investigate, prosecute, and deport from the United States all those who participated in Nazi Germany's systematic murder of 11 million people, 6 million of whom were Jews. Given the number of cases requiring investigation; the delays that are inevitably encountered; and the ages of the suspects and witnesses involved, it is imperative that our support continue until the job is done once and for all. The symbolic importance of bringing these criminals to trial and stripping them of their American citizenship cannot be overstated. During a time when we are witnessing yet another holocaust in Southeast Asia, our

failure to bring Nazi war criminals to justice would only serve to justify those atrocities.

I commend the Office of Special Investigations for moving swiftly since receiving the additional funds. As a direct result of its increased funding the larger staff of the office has intensified its current litigation efforts, filed new cases, and increased the number of investigations.

After speaking with the unit's Deputy Director Martin Mendelsohn, I am confident that in this case our money is being well spent. ●

## TOWARD A NATIONAL COMMUNICATIONS AND INFORMATION POLICY

**HON. GEORGE E. BROWN, JR.**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. BROWN of California. Mr. Speaker, the coming of the "Information Age" has been widely heralded in the media; already the 1980's have been dubbed "The Information Decade." The communications and information technologies to effect this revolution are no longer the exotic dreams of science fiction, but a functioning reality. In developed countries, the communications and information sectors of the economy are increasingly important and appear likely to replace other products and commodities as the key factors influencing economic change and even broader cultural change in the future global organization of human society.

The rapid maturation of these technologies presents policymakers with an unprecedented set of challenges. My colleague, LIONEL VAN DEERLIN of California, has for some time been struggling valiantly to meet these challenges in the area of telecommunications, where the archaic Telecommunications Act of 1934 is proving more and more inadequate to cope with the vast possibilities for telecommunications services created by technological advances. On the same front, the Office of Technology Assessment will soon complete a major study of telecommunications, as well as a study on national information systems; both of these will provide needed resources for legislative initiatives in this area. The Congressional Research Service is also preparing, at my direction, a background paper and annotated bibliography on telecommunications and information systems.

As this activity indicates, the information base needed for legislative activity in communications and information policy is rapidly coming into place. In addition to the work of Mr. VAN DEERLIN's Communications Subcommittee, the Science Research and Technology Subcommittee, which I chair, has held hearings on information technology in education and is mounting a wider effort in this and other aspects of information policy.

I believe the time is now propitious for a wider congressional effort to move forward on a broad front in developing a communications and information policy for the 1980's and beyond. The enormous potential of the new technologies can be realized in an equitable and beneficial way if our vision is equal to the task.

Mr. Speaker, a recent article in the San Bernardino Sun provides an excellent account of the way in which Mr. VAN DEERLIN's efforts have instigated a national debate on communications policy. I commend this article to my colleagues and ask that it be inserted in the RECORD.

The article follows:

[From the San Bernardino Sun, Nov. 22, 1979]

### CALIFORNIA LAWMAKER HOPES TO HASTEN ELECTRONIC AGE

(By Lee Byrd)

WASHINGTON.—At age 65 and after 17 years in Congress, Rep. Lionel Van Deerlin, D-Calif., has but a single dream and no illusions.

"I'm chairman of a committee that introduces one bill a year," he says. "We don't pass it . . . We just introduce it."

Now, Van Deerlin may make his second effort of 1979, albeit with lowered sights, to revamp the 45-year-old law governing the nation's communications industry. "Cancel the wake," he says. "And stay tuned."

Van Deerlin, a one-time newspaperman and television news editor, wants to hurry the day when most office file cabinets will be replaced by video computers, when Americans can shop and bank and even get their news and comics at the push of a few buttons.

On the entertainment front, he believes that the answer to questions about the jiggle and violence of network television lies not in censorship but in the opening up of broadcast programming and technology so that every home viewer has dozens of channels from which to choose.

The chairman of the House Communications subcommittee is convinced all of this is not only possible, but inevitable. To Van Deerlin, the issue is whether it happens smoothly and expeditiously or in belated, court-entangled fits and starts which could jolt key sectors of the economy—if not America's way of life.

Thus, Van Deerlin's dream: a complete overhaul of the Communications Act of 1934, one that would gradually deregulate the industry and spark far greater competition and innovation in products and services ranging from telephones to multipurpose computer terminals, from cable television to satellite telemetry.

Van Deerlin and his Senate counterpart, Ernest F. Hollings, D-S.C., have taken their knocks in promoting such notions, though Hollings' approach to deregulation is not nearly so sweeping as that of the California congressman. Both hoped to bring a bill to the floor this year, but neither has managed to get past his own subcommittee. Still, Hollings insists that "times are changing . . . 'natural monopoly' and 'economy of scale' are words of the past. Competition and diversity are ideas of the future."

The highly complex issue has not escaped the notice of a diverse mixture of heavyweight lobbyists, including labor, the PTA, the major networks, the National Association of Broadcasters, professional sports, Hollywood producers, corporate giants like AT&T, RCA and ITT, church groups, Ralph Nader and even the Grand Ole Opry and the National Organization for Women.

Virtually all have had some good things to say about deregulation—and all have found their own special faults with it.

Indeed, these loud but collectively jumbled voices have left committee members with little more than a powerful ringing in their ears. Van Deerlin, for his part, claims to know what "life is like for the marble in a pinball machine."

Some friends predicted the buffeting would prompt him to retire, especially in light of a then-secret 7-7 vote in July by his subcommittee which effectively killed the comprehensive revision after a drafting effort that took three years.

But Van Deerlin, while disappointed, took the bill's defeat in stride. "We were able to reduce its odds on passage from a 1,000-to-1 to 10-to-1," he says. And that, apparently, was good enough to prompt him to announce he will run again next year.

Meanwhile, Van Deerlin has been considering a new strategy which he hopes might yet result in a bill passed by the current Congress, though probably not this year. That idea involves dropping most of the provisions in the bill calling for broadcast deregulation—indeed, the sections that were most controversial—and introducing a shorter version that would apply solely to telecommunications, meaning AT&T, other telephone companies, and the firms which provide satellite communications, computer links and other specialized data services.

In the broadcasting area, Van Deerlin hoped to end immediately all federal regulation of radio and cable television, while phasing out controls on regular television over 10 years. Broadcasters would have been freed of their obligations under such "public interest" standards as the equal time and fairness doctrines, which require them to air conflicting views on editorial and political issues.

"Though not carved in stone," says Van Deerlin, only half-joking, "the bill attempted to deliver the children of the electronic media—reporters, producers, owners and viewers—out of their bondage under the 1934 act, and into a land of milk and honey."

But the industry objected to other provisions, such as a restructuring of frequency allocations to allow for more stations and a requirement they pay some fees to the government for use of the public airwaves.

But Van Deerlin sees brighter prospects for telecommunications deregulation, and that, in itself would involve massive change. The telecommunications sector accounts for more than one million employees and annual revenues exceeding \$50 billion, and the effects of a free market could make similar reforms in the airline and other industries pale by comparison.

Van Deerlin was especially heartened when President Carter declared his support for just such an approach. "This industry," said the president, "can provide more and better services while cutting costs. It can help fight inflation and promote growth. We cannot afford to have this progress frustrated by unwarranted regulation."

Virtually no one would argue that years, even decades of dazzling technological improvements have far outstripped the vision of the authors of the 1934 act. Universal telephone service, now a reality, was then seen as a national goal which logically could be accomplished only through protection of the "natural monopoly" of the telephone company. For that matter, broadcasting, too was viewed as a fledgling industry of promise, meriting such help as free and exclusive access to assigned frequencies on the public air waves.

But while government helped with one hand, it restrained with the other. For example, AT&T, in exchange for its monopoly on interstate lines, was effectively barred in a 1956 antitrust agreement from entering

any other domestic market not directly connected with its primary service. It also was forbidden to compete with such other corporate giants as ITT and RCA in international communications.

Recent court decisions and steps by the FCC already have broken some ground toward deregulation. For example, consumers may now shop among several manufacturers for telephone sets and other terminal equipment, such as automatic message devices. At least one firm even offers businesses a way to make long-distance calls between major cities at rates lower than the Bell System's.

Even so, the "outmoded regulatory controls and slow procedures are harming new competitors, established telephone companies and the users of telephone and other telecommunications services," Carter has said. "Regulatory delays and uncertainties discourage firms from entering new markets and offering new services."

Though the biggest members of the industry, including AT&T—the world's largest utility—are somewhat wary of all that deregulation entails, they have made it clear they find a clear-cut legislative course preferable to those uncertainties. In a reversal of Bell's longstanding opposition, AT&T Chairman Charles L. Brown told Van Deerlin's panel "deregulation will make a significant contribution to the satisfaction of consumer needs and the exploitation of technological opportunities."

Already, AT&T is working on low-cost computer terminals for office and home use. One device, reportedly, would provide a sort of automated Yellow Pages, allowing the customer to obtain quick information, say, on all the plumbers in his area. Such devices also could be used for a variety of other purposes—even the instantaneous delivery of printed news material—but current law makes it unclear, at best, whether AT&T could market such products unless they relate directly to telephone service. On the other side of the coin, existing data processing firms are somewhat barred from establishing competing transmission facilities.

Whatever the fate of his legislation, Van Deerlin feels some triumph already. It is "more than a bill," he says. "It represents the first national debate on communications policy in this country."

At the least, he says, "the old, prosperous industries have been given a good elbow in the ribs. . . . As a longtime observer and participant, I tell you this: Things will never be the same again." ●

#### DEPORTATION OF IRANIAN STUDENTS

### HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. MOFFETT. Mr. Speaker, distressed as we all are about the continuing crisis in Iran and the continuing danger to American diplomats there, it still behooves us to consider carefully actions which we take at home to show our disapproval of Ayatollah Khomeini.

I refer especially to the wholesale visa refusal and deportation of Iranian students in the United States. While simple enough on the surface, this action could endanger still more innocent lives. It might give the American people and the Congress a sense that we are "doing something"—but that something might

be the wrong thing in the case of many of these students.

Under Khomeini's "leadership," Iran in the past few months has been a dangerous place to live for a number of ethnic minority groups. The Bahai's, a religious minority noted for its devotion to internationalism and pacifism, have been persecuted; their religious shrines have been desecrated and destroyed. Minority Moslem sects have been threatened. Jewish Iranians have felt the threat of economic and, at times, physical persecution.

Iranian students here in the United States represent the ethnic diversity of their home nation. It is insensitive and inappropriate to lump together into one supposedly hostile group these diverse students, many of whom may be here to escape persecution at the hands of Khomeini. Sad to say, the INS' visa review recalls for many people the shameful action taken against Japanese-Americans in World War II.

I urge my colleagues in the House, and the administration, to think twice before deporting Iranian students. Each and every case deserves careful scrutiny. ●

#### RICHARD BOLLING AND THE RULES COMMITTEE

### HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. SKELTON. Mr. Speaker, on Sunday, November 4, the Baltimore Sun ran an article by Clarence Mitchell entitled "Richard Bolling and the Rules Committee." In his article, Mr. Mitchell points out that our colleague, DICK BOLLING, is the youngest House Member to become chairman of the Rules Committee in recent years, and he aptly illustrates the respect and admiration that the gentleman from Missouri has rightfully earned over the past 31 years as a judicious and effective legislator.

Mr. Speaker, it is with great pride that I share Mr. Mitchell's article with my colleagues as I believe that it is an insightful piece about an outstanding Missourian—a man who is "a legend before his time."

The article reads as follows:

RICHARD BOLLING AND THE RULES COMMITTEE  
(By Clarence Mitchell)

At a Sunday dinner honoring Representative Richard Bolling (D., Mo.) in Kansas City, House Speaker Thomas P. O'Neill twitted him about being the youngest House member to become chairman of the Rules Committee. Representative Bolling is now 63.

Guests who did not know the past history of this powerful committee were somewhat puzzled until the Speaker told the story of octogenarian Adolph Sabath (D., Ill.) who was chairman when Mr. O'Neill was first elected. According to the O'Neill story, Mr. Sabath died and another 80-year-old took his Illinois seat.

When asked why he would want to come to Washington at such a late age, the new member said: "Adolph and I tied for elec-

tion to Congress, so the party organization had us flip a coin and he won. However, I was promised the next vacancy and I am here because it is my turn."

Aside from the glimpse he gave of how the system worked in Chicago, Speaker O'Neill gave a rundown on the ages of the congressmen who preceded Mr. Bolling as chairman. First was Howard Smith of Virginia, followed by William Colmer of Mississippi, who was succeeded by Ray Madden of Indiana, and he by James Delaney of New York. All of these were Democrats and in their 70s when they became chairman.

Mr. Bolling began his service on the committee as a young new member of the House, but he had the powerful blessing of President Harry Truman and then Speaker Sam Rayburn of Texas. There is little doubt that if the Rayburn plans for Representative Bolling had been carried out, the Missourian would now be speaker of the House instead of Mr. O'Neill.

When he was elected in 1948, Mr. Bolling was considered a liberal, but that did not limit his effectiveness. Members discovered very early that he was a student of House Rules and this gave him an advantage.

Until he came on the scene most of the knowledge of the complicated rules was dispensed by Southern members who used their talents to emasculate or kill civil rights and other progressive legislation. One such member was John Rankin (D., Miss.), who delighted in using racial epithets in his floor speeches, but could get away with it because members feared he could cite a rule that made his remarks in order.

One of the last Rankin efforts to extend segregation in the national government was his bill to establish an all-black veterans' hospital. This failed and his star began to decline. However, his place as a repository of knowledge on rules was quickly taken by Representative Smith, who had been a judge at one time and liked to be addressed by that title.

As chairman of the Rules Committee, Judge Smith had a double shot at bills he opposed. First, he could delay or kill them in committee simply by not holding meetings and, second, he could tie matters in knots by invoking little understood rules on the floor.

At one time when Judge Smith said he was going home to see after his cows on his farm and did not know when he could get back to have a meeting on a pending civil rights bill, Representative Bolling forced his return by threatening to use a rule that would have permitted the committee to have a meeting without the chairman's consent.

Without the Bolling presence as a member of the Rules Committee, it is doubtful that civil rights bills which passed between 1957 and 1968 could have reached the floor. Unlike some liberals who avoid working with members of the opposite party or with conservatives, even when it would help their cause, Representative Bolling often teamed up with Congressman Clarence Brown (R., Ohio), who was the ranking Republican on the Rules Committee, to get action on civil rights proposals.

Mr. Brown, a top figure in national Republican party politics, was also a close friend of many Southern members, including Judge Smith. Once he told me that he did not like to "embarrass the judge, but I have told him I can't let him kill this (civil rights) bill and I am going to vote with Dick Bolling to report it out."

In 1968, when many members gave up on the possibility of getting fair housing legislation through the rules committee, Mr. Bolling's friend Mr. Brown had died, but Representative John Anderson (R., Ill.) was on the committee. An Anderson-Bolling effort outwitted the opposition, the bill went to the floor and was passed.

At present, there is no obstruction prac-

ticed in the Rules Committee and this is because Mr. Bolling, as chairman, is determined to place the old practices that he abhorred out of order. ●

### THE INVERTED FLAG

## HON. JOHN N. ERLBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. ERLBORN. Mr. Speaker, the deplorable course of events in Iran and the reprehensible actions of the student terrorists have provoked deep-seated feelings of anger, hostility, and revenge here at home. Along with this reaction, we have witnessed a more positive development—an unmistakable surge of patriotism.

Americans from diverse backgrounds, different occupations, and divergent political viewpoints have joined in expressing unequivocal support and unwavering concern for their countrymen held captive in Iran. Suddenly it is no longer considered "old fashioned" to believe in one's country and stand up for its ideals. We are witnessing the rebuilding of a national unity and cohesiveness that was fractured by our experience in Vietnam.

A unique demonstration of patriotism and support for the American hostages in my congressional district has recently come to my attention. Lloyd N. Weston, president and publisher of the Addison Leader and 10 other Chicago suburban newspapers, has inverted the paper's masthead, or "flag" in the jargon of journalism, as a symbol of protest over the Iranian situation.

Mr. Weston cites title 36 of the U.S. Code, which sanctions flying the American flag upside down "as a signal of dire distress in instances of extreme danger to life or property." He notes that at the present time, American life and property are, indeed, in danger and "in a broader sense America herself is in distress."

I would like to insert in the RECORD an editorial from the Addison Leader in which Mr. Weston poignantly explains his reasons for flying his "flag" upside down.

The editorial follows:

#### INVERTED FLAG: AMERICA IN DISTRESS

"The flag should never be displayed with the union down, except as a signal of dire distress in instances of extreme danger to life or property."—Title 36, United States Code.

In America's mighty shipyards, longshoremen are refusing to load or unload Iranian vessels. In Elk Grove Village, Ill., a shopping center parking lot is plastered with hand-lettered "Death to Khomeini" posters. In Clovis, N.M., a mock grand jury symbolically indicts the Ayatollah Ruhollah Khomeini on charges of kidnaping Americans held hostage at the U.S. Embassy in Tehran contrary to the provisions of international law."

We are not at war. Uncle Sam does not want us to join up. This is not an election. We cannot register and vote. Yet, frustrated Americans everywhere are, these days, finding little, symbolic, personal ways to vent that frustration. The word "patriotism" seems to be coming back into fashion as housewives and bankers, politicians and

plumbers, secretaries and businessmen—each in his or her own way—express their belief in America, and their support for President Carter's actions in this crisis.

In that regard, here at the Addison Leader Newspaper Corp., we are obliged to do our part too in protest of the taking of American hostages in Iran and in supporting our government's attempts to obtain speedy release of all the captives.

In journalism jargon, a flag is the name of the newspaper as displayed on the front page. According to the Flag Code of the United States, the Stars and Stripes are to be displayed in an upside down position at times of "dire distress in instances of extreme danger to life and property."

We believe that such a time is now. American citizens and American property are indeed in danger. In a broader sense, America herself is in distress.

As a symbolic gesture of our disdain for the actions during the past fortnight of the Ayatollah Khomeini and the so-called Iranian "student" terrorists, we are flying our "flag" upside down on the front page of this newspaper.

We will continue to run this inverted flag every week—on this and on our 10 other community newspapers—until all the American hostages in Iran are released.

We urge every American newspaper—large and small alike—to join in this manner as part of a great national protest and a demonstration of support for our government and our President in this time of "dire distress." ●

### HANDGUN BODY COUNT

## HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. DRINAN. Mr. Speaker, during the month of October, 571 Americans were killed by handguns, bringing the yearly total to 6,446. This handgun body count is a list of media-reported handgun deaths from cities and towns across the Nation compiled by Handgun Control, Inc.

The FBI has reported a 3-percent increase in robberies during 1978, and a 15-percent increase in robberies during the first 6 months of 1979. Since handguns are one of the most widely used weapons in such crimes, there is a clear need for effective legislation to control handgun misuse.

Senator EDWARD KENNEDY and Congressman PETER RODINO have introduced the Handgun Crime Control Act of 1979 to confront this dangerous national problem. I urge my colleagues to support this new legislative effort, and contribute to putting and end to the misuse of handguns now.

The handgun body count compiled by Handgun Control, Inc. follows:

#### ROLL OF HANDGUN DEAD

##### ALABAMA (6)

Ronald Brannon, Mobile; Sammy Bryant, Jemison; Melvin Porter, Birmingham; Johnny Tuttle, Monroeville; Helen Woods, Ozark; Hubert Woods, Ozark.

##### ARIZONA (8)

Donna Appleby, Phoenix; Marie Curie, Yuma; Jill Gardner, Phoenix; Ray Gledhill, Apache Junction; James Layman, Scottsdale; Daniel Richey, Glendale; David Rivas, Phoenix; Todd Weckesser, Glendale.

##### ARKANSAS (7)

Richmond Cogdell Sr., Little Rock; Dorothy Dees, Fordyce; Charles Jacks, Pine Bluff; Gerald McGinnis, Little Rock; Sharon Mitchell, Magnolia; Annie Thompson, Little Rock; Arthur Thompson, Little Rock.

##### CALIFORNIA (75)

James Allen, Los Angeles; John Alleson, Trinity County; Robert Amaro, Oxnard; Rich Avante, Hayward; Weldon Ayers, Bakersfield; Renard Beverly, Los Angeles; Edward Block, Sacramento; Charles Bowman, Brea; Christopher Bridge, Pioneer; Ricardo Brizuelas, Venice; Garry Budjan, Fremont; Valerio Castillo, Oxnard; David Chavez, Carlsbad; Ronald Coleman, West Covina.

Alex Coria, Union City; Johnny Dapper, San Diego; John Dunbar, Pasadena; Arnold Frisch, San Bernardino; Monte Fry, Los Angeles; Rodolfo Gonzales, Fresno; Rosillo Gonzalez, Pasadena; Agnes Gould, Mill Valley; Randall Gould, Mill Valley; Merle Green, Hollister; Jerry Guzman, Los Angeles; Joe Heinz, Hayward.

Cheryl Hubbard, Inglewood; Juan Jara, Panorama City; Frederick Jenkins, Los Angeles; Victor Kastellanos, Highland Park; Sim Kirklem, Palos Verdes Peninsula; Michael Ladd, Riverside; Ignacio Macial, Van Nuys; Ruben Maestas, Stockton; Michael Manno, Signal Hill; Debra Martinez, Sacramento; Ruth Mavriks, San Francisco; Dana McCutcheon, Venice; Betsy McGuire, Wilshire; Michale Melero, San Diego.

Ted Miller, Huntington Beach; Jose Mora, San Francisco; Francisca Moser, Beverly Hills; Frank Moyer, Jr., Wisalia; Yvette Nance, Oakland; Luis Narex, Hollister; George Olekszak, Buena Park; Arnold Perez, Pomona; Barbara Riley, Bakersfield; Ronald Ronquillo, Indio-Coachella; George Rothenberger, La Crescenta.

Elynor Salas, Hollywood; Stephen Saunders, Encino; George Shriver, Muscoy; Luna Silva, Carpinteria; Ison Simpson, Linda Vista; Alex Smith, Lynwood; Arlan Smith, Wilshire; Donn Suniga, Pittsburg; Marque Tinkler, San Diego; Archie Tolbert, Watts; Mike Urweider, Redwood City; Martin Villa, Chino; Eddie Walker, Palos Verdes Peninsula; Frank Whitecraft, Monterey Robert Zahnaw, San Jose.

Unidentified male, Pasadena, 10-10-79; unidentified male, Hawthorne, 10-10-79; unidentified male, Costa Mesa, 10-11-79; unidentified male, Hawthorne, 10-11-79; unidentified female, Montebello; unidentified male, Ontario, 10-12-79; unidentified male, San Bernardino, 10-15-79; unidentified male, age 25, Rancho Palo Verdes, 10-24-79; unidentified male, age 60, Rancho Palo Verdes, 10-24-79.

##### COLORADO (15)

Willie Bender, Park Hill; Louis Duran, Denver; Larry Franklin, Denver; Tereso Gonzales, Denver; Reuben Graeb, Bear Valley; Roger Hammond, Denver; John Montgomery, Rifle; Johanna O'Malla, Leadville; Pete Fasquale, Salida; Fred Rease, Park Hill; Herman Smith, Monte Vista; Ernest Summers, Denver; Richard Sutton, Denver; Jessie Swan, Greeley; James Wilson, Denver.

##### CONNECTICUT (3)

John Donaldson, Waterbury; David Herwin, North Haven; Unidentified male, Norwalk.

##### DISTRICT OF COLUMBIA (5)

John Daughtry; Jonathan Howell; Clifton Jones; Donnie McMillian; James Rose.

##### FLORIDA (15)

Catherine Alexander, Eatonville; Leon Berry, Miami; Dennis Bishop, Sarasota; Scott Cooper, Margate; Thomas Davidson, Sarasota; Mark Hutchenson, St. Petersburg; Niel McClung, Jacksonville; Michael Orlando, Hollywood; Kenneth Oppenheimer, Stuart; William Rhodes, Bradenton; Cedric Rollings, Miami; Unidentified female, Miami; Uniden-

tified male, Neptune Beach; Unidentified female, Neptune Beach; Unidentified male, Hollywood.

GEORGIA (23)

Kendrick Bailey, Atlanta; Patricia Barry, Atlanta; Raymond Bunting, Atlanta; Alex Flemister, Atlanta; John Fuller, Atlanta; Clarence Gabbard, Hatcherchubbee; William Gray, Atlanta; Valarie Hardaway, Atlanta; Bernard Harris, Albany; Holly James, Atlanta; Angelo Johnson, Atlanta; Jimmy Longshore, La Grange; Asa McKeever, Atlanta; Robert Nunn, Atlanta; Rev. Willie Poole, Atlanta; Cyril Russell-Howland Sr., Atlanta; Herbert Schlitter, Atlanta; Nathan Sparrow, Atlanta; Larry Watkins, Atlanta; William Willis, Brunswick; Snow Wright, Atlanta; Unidentified male, Catoosa County; Unidentified male, Dalton.

IDAHO (1)

Georgia Fisher, Emmett.

INDIANA (15)

Ramon Alvarez, Chicago; Charles Boone, Carbondale; Kenneth Bryant, Chicago; Ellen Carniol, Chicago; Gregory Connors, Chicago; Charles Crump, Chicago; John Gavin, Chicago; Stanley Irizarry, Chicago; Edward Johnson, Chicago; Joseph Lachowski, Chicago; Harry Lara, Chicago; Charmette Parker, Park Forest; Dennis Potter, Chicago; Victor Rolon, Chicago; Richard Russell, Chicago; Hugh Ruttenberg, Chicago; Louis Tragas, Chicago.

INDIANA (17)

Ruth Annahooth, South Bend; Kenneth Bird, South Bend; Herkimer Byrnes, Dowagiac; Clarence Cole, Gary; Robert Dewar, South Haven; Joseph Harris, Indianapolis; Eloise Husband, South Bend; Wayne Hybarger, Marion; Larry Lottle, South Bend; Donald Mabery, Wabash; Dale Miller, Elizabeth; Carol Moiser, South Bend; Reginald Purnell, South Bend; Robert Terhune, Mooresville; Farandz Vines, Clarksville.

IOWA (5)

Gary Duffy, Humboldt; Richard Lafountain, Davenport; Edward Smith, Des Moines; Eddie Williams, Davenport; unidentified male, Davenport.

KANSAS (11)

Henry Daniels, Wichita; Larry Duggar, Crestline; Karen Harmon, Wichita; Ronald Mcready, Leavenworth; Nancy Metz, Leavenworth; Thomas Peknik, Kansas City; Cleo Ray, Wichita; Thomas Smith, Wichita; Delbert Watson, Kansas City; unidentified male, Kansas City; unidentified male, Wichita.

KENTUCKY (16)

Jimmy Donovan, Frankfort; Earl Fair Sr., Elkhorn; Danny Gentry, Crofton; Mae Hawthorne, Shepherdsville; Daniel Hay, Maysville; Joe Johnson, Shepherdsville; Lawrence McKiddy, Harlan; Betty Miles, Lexington; Patrick Moore, Perryville; Marsha Ponder, Liberty; Ernest Roberts, Frankfort; Gregory Smith, Danville; Kermit Smith, Elkhorn City; Roger Smith, Elkhorn City; Greg Vanover, Frankfort; Patricia Walker, Harlan.

LOUISIANA (22)

Lionel Alexander, New Orleans; Wendell Ashley, Alexandria; Michael Bonds, Baton Rouge; Benjamin Caruthers, Fort Polk; Donald Coulon, Westwego; Willie Hall, Shreveport; Anthony Hebert Sr., Metairie; Anthony Hebert Jr., Metairie; Ruth Hebert, Metairie; Ronert Henley, Lake Providence; Nemi Hudson, Shreveport.

Eugene Jones, Ponchatoula; Leander Kirkland, New Orleans; William McDaniel, Bastrop; Charles Minor, Shreveport; Zachery Patterson, New Orleans; William Pierce, Baton Rouge; Dennis Singleton, Houma; Howard Spann, Beaumont; Jimmy Spates, Shreveport; Marlene Stevenson, Baldwin; Nathaniel Wilson, Shreveport.

MARYLAND (21)

Carl Brown, Towson; Isaac Dobson, Baltimore; James Ellis III, Baltimore; Theodore Gantz, Silver Spring; Millicent Haywood, Prince George's County; Steven Horad, Linthicum; Annie Logan, Chevy Chase; Kenneth Marshall, Baltimore; Roger Mason, Baltimore; David McLarty, Linthicum; John McNeal, Baltimore; Gary Miller, Baltimore; Michael Morley, Woodlawn; Douglas Orem, Baltimore; Dale Scott, Baltimore; Clifton Shorter, Baltimore; Edward Smith, Baltimore; Lester Williams, Baltimore; Louis Williams, Baltimore; Kenneth Withers, Baltimore; unidentified male, Baltimore.

MASSACHUSETTS (1)

Dwayne Swan, Roxbury.

MICHIGAN (8)

Duane Badder, Rogers City; Orie Birdslee, Berrien Center; Julian Grant, Detroit; Curtis Hill, Lansing; Julius Pilarski, Rogers City; Brian Viau, Gladstone; Ralph Viau, Gladstone; James Wilkes, Detroit.

MISSISSIPPI (8)

L. D. Causey, Walthall County; Bennie Hayes, McComb; Marvin Leach, Waynesboro; Velma Rankin, Forest; Richard Roberts, Waynesboro; Norman Thigpen, Hattiesburg; Daniel Trosclair, Blioxi; Katie Waldrop, Greenville.

MISSOURI (18)

David Ball, St. Louis, Thomas Brown, Alorton; Laurence Carlton, St. Louis; William Cole, St. Louis; Carl Davis, St. Louis; Terry Davis, Webb City; Andy Dunlap, St. Louis; Ronnie Forte, St. Louis; Matthew Gray, St. Louis; Cleveland Johnson, University City.

Frank Matlock, Kansas City; Bobby Moore, Bonne Terre; Donald Moreau, Jefferson City; Lester Smith, Kansas City; Wallace Whitley, Kansas City; Marvin Willard Jr., Campbell; unidentified male, St. Louis, 10-24-79; unidentified male, St. Louis, 10-31-79.

NEBRASKA (7)

Michael Berry, Omaha; Kenneth Enfield, Lincoln; Betty Goshinska, Omaha; Michael Husar, Lincoln; James Robinson, Omaha; Lester Vaughn, Omaha; Charles Williams, Omaha.

NEVADA (3)

Willie Mae Belton, Las Vegas; Pamela McKinley, Las Vegas; Edward Tucker, Douglas County.

NEW JERSEY (2)

Timothy Brokaw, Somerset; Willie Chestnut, Newark; Scott Kachinski, Winfield Park; Daniel and Phyllis Muse, Millville; Robert Nenortas, Atlantic City; John Tambarro, Orange.

NEW MEXICO (3)

Carl Amaya, Albuquerque; Ethel Clements, Albuquerque; Ethel Simpson, Albuquerque.

NEW YORK (34)

Kenneth Anderson, White Plains; Olga Carter, Riverdale; Gregory Cherry, New York City; Walter Cosella, New York City; Phillip Risimini, Valhalla; James Eppolito, Brooklyn; Herbert Finn, New York City; Alphonso Flood, New York City; Raymond Ford, Syracuse; Mary Hartman, Valhalla; Julius King, West Brighton; Mario Lombardi, Brooklyn; Kyriakus Lucas, New York City; Mary Maduras, Yonkers; Miguel Martinez, Port Chester; Thomas McCullough, Riverdale; Michael Merola, Bulls Head.

Joseph Miller, East Greenbush; Robert Musachia, New York City; Aftab Muzaffar, New York City; Mileagros Neris, Port Chester; Kavid Okunok, Brooklyn; Martha Rivera, New York City; Joseph Tinnerello, Bulls Head; William Walker, New York City; Lekia Williams, Brooklyn; Pamela Williams, Rochester; Robert Williams, Rochester; Rudolph Williams, White Plains; Tai Wing, Bronx; uni-

identified male, New York City, Park Slope; unidentified male, New York City, 150 W. 28th St.; unidentified male, New York City, Van Cortland Park.

NORTH CAROLINA (15)

Tommy Ausley, Greensboro; Mergie Boney, Holly Springs; Marian Britt, Lillington; Rebecca Coleman, Asheville; George Funka, Jr., Greensboro; Billy Hubbard, Alamance County; Dale Hubbard, Alamance County; Benny Jones, Emma; Cleveland Jones, Fayetteville; Richard Long, Winston-Salem; Levern Lowrey, Charlotte; Walter Martin, High Point; Freddy Pacheco, Greensboro; Edward Parrish, Durham; unidentified youth, Charlotte.

OHIO (32)

Walter Aisel, Columbus; George Baker, Youngstown; Teresina Bevilacqua, Columbus; Nathaniel Brown, Cleveland; Douglas Elfers, Lakewood; Delores Elliott, Pleasant Township; George Faulk, Jr., Columbus; Monte Freeman, Cleveland; Todd Glenn, Columbus; Donald Glover, Toledo; Robert Groce, Columbus; William Hart, Cleveland; Russell Hill, Franklin County; Mark Howard, Mansfield; Robert Leet, Dayton; Timothy Lowe, Dayton.

Caroline McKinney, Akron; Gayle Mize, Hamilton; John Russo, Hamilton; Joseph Shear, Cleveland; Arthur Smith, Bellefontaine; Jacqueline Smith, Cleveland; Lesly Sparrow, Richwood; Lawrence Treadwell, Akron; Paul Wagner, Prairie Township; Kent Wheeler, Grove City; Gary White, Cincinnati; John Williams, Cleveland; Gary Winfield, Mentor; Margaret Winfield, Mentor; Roddy Wright, Hamilton; Unidentified female, Cleveland.

OKLAHOMA (14)

Frederick Atchison, Tulsa; Dionna Cunningham, Oklahoma; Marilyn Douglass, Okarche; Rev. Richard Douglass, Okarche; Bernard Fehring, Grady County; Robert Foster, Tahlequah; Bruce Jones, Spencer; Ralph Latullipe, Tulsa; Benny Mullinex, Luther; James Profit, Oklahoma City; Judith Profit, Oklahoma City; Robert Profit, Oklahoma City; James Smith, Oklahoma City; Unidentified male, Oklahoma City.

OREGON (2)

Richard Beller, Springfield; Julianne Raymond, White City.

PENNSYLVANIA (26)

Thomas Bettler, Pittsburgh; Wayne Blandburg, Homewood; Helen Coppedge, Philadelphia; Genardo Delvalle, Philadelphia; Joseph DeMarco, Pittsburgh; Keith Dennis, Philadelphia; Edward Dixon, Philadelphia; Charles Freeman, Pittsburgh; George Funka, Jr., Washtown; Edith Gibson, Pittsburgh; Calvin Gilbreath, Philadelphia; Robert Griggs, Alliquippa; Anthony Herrle, Brodhead Manor; William Kellam, Philadelphia.

Florence Legion, Philadelphia; Robert Matson, Philadelphia; Roscoe McKenna, Philadelphia; Gaguna Messiri, Philadelphia; George Peyton, Philadelphia; Anna Russell, Willow Grove; Harry Russell, Willow Grove; David Sanchez, Bethlehem; Elmer Sueck, Dallastown; Donald Williams, Philadelphia; unidentified male, Philadelphia; unidentified male, Homewood.

SOUTH CAROLINA (6)

Randall Adams, Lancaster; J. E. Allman, Clinton; William Ingle, Salem; Terrell Johnson, Columbia; Patrick McGinty, Columbia; Joe Smith, M.D., Lancaster.

SOUTH DAKOTA (2)

Debbie Frey, Lead; Vicki Scholl, Lead.

TENNESSEE (23)

George Blankenship, Clinton; Shella Booker, Memphis; John Brandon, Memphis; Charles Britt, West Knox County; Walter Crawley, Chattanooga; James Evans, Nashville; Herschel Frierson, Nashville; William

Glenn, Memphis; Reginald Granger, Memphis; Rocky Hopkins, Norton; Doris Howard, Hixon.

Abe Jones, Memphis; Michael Mitchell, Nashville; Horace Raybon, Memphis; Dorris Sanders, M.D., Waverly; Martha Shaver, Gibson; Theresa Shea, Memphis; Alfred Smith, Memphis; Pauline Stewart, Memphis; Eric Strickland, Fayette County; Martin Tackett, Caryville; David Wise, Chattanooga; unidentified male, Memphis.

#### TEXAS (70)

Pedro Adame, Houston; James Baker, New Caney; Robert Barley, Houston; Howard Battles, Tyler; Henrietta Bedford, San Antonio; Millie Bingley, Houston; Carol Boring, Sherman; Robert Body, Houston; Billie Burns, Dallas; Marilyn Campbell, Farmers Branch; Alvin Cashmere, Houston; Donna Cleveland, Houston; Gary Cooper, Houston; Howard Crisp, Mission.

Edward Daniels, Dallas; Lloyd Delvige, Freeport; Robert Ebert, Brownsville; Carl Everson, West Rosedale; Ed Field, Houston; Michael Gorrell, Seguin; Matthew Goss, Houston; Elwood Groff, San Antonio; Dave Hall, Galveston; Lynette Hall, Gatesville; Denzil Halsey, Houston; Norman Harris, Wichita Falls; William Hassbrock, Houston; Robert Hebert, Brownsville; Alvin Henderson, San Antonio.

Hillard Hightower, Port Arthur; Michael Hinton, Lamesa; Danny Hoskins, Kermit; Joann Huffman, Houston; David Jackson, Corpus Christi; Alice Jacobs, Dallas; Lucy Johnson, Houston; Edward Kiesel, Dallas; Jackie Kiker, Wichita County; Linda Maney, Harris County; Felix Martinez, Houston; Eloy Mendoza, Bexar County; Earlene Miner, Dallas.

W. R. Mints, Midland; Armando Ochoa, Dallas; Ramira Padilla, Houston; Lee Page, Dallas; Samuel Phillips, Houston; Jackie Quin, Houston; Frank Reyes, San Antonio; Jessie Rodriguez, Corpus Christi; Lisa Rodriguez, Robstown; Neil Rogers, Wheeler; Rolando Saldivar, Houston; Obie Sanders, Houston; Harry Schlesinger, Austin; Molly Schlesinger, Austin; Robert Segoe, Haskell; William Smith, Bonham; Sharon Tumlinson, San Antonio.

Manuel Velasco, Odessa; Felipe Villarreal, Corpus Christi; Morton Ware, Fort Worth; Annie Wells, Houston; Lonnie Williams, Fort Worth; Freeman Wilson, Fort Worth; unidentified male, San Antonio; unidentified male, Houston, 10-23-79; unidentified male, Houston, 10-27-79; unidentified male, Corpus Christi; unidentified male, Freeport.

#### UTAH (3)

Kent Dodge, Duchesne; Grant Raymond, Salt Lake City; Guadalupe Saucedo, Ogden.

#### VIRGINIA (6)

Melissa Elliott, Hanover; Milton Hayes, Richmond; Ruby Hevener, Richmond; Alan Rotton, Burke; Frank Stinson, Richmond; Rebecca Walker, Manassas.

#### WASHINGTON (2)

Debbie Hafner, Stanwood; Susan Schwartz, Snohomish County.

#### WEST VIRGINIA (4)

William Evans, Logan; Boyd Halford, Jefferson County; Edward Phillips, Marmet; Michael Treadway, Fayetteville.

#### WISCONSIN (8)

Ryan Baxter, Milwaukee; Jesus Cano, Milwaukee; Phillip Christians, Portage; Jay Flom, Ixonia; Jose Guerra, Menomonee Falls; Rose Powell, Milwaukee; Houston Watkins Jr., Milwaukee; Raymond Woods, Milwaukee.

#### WYOMING (6)

Joe Ely, Greybull; Thomas Ely, Greybull; Billy Hames, Douglas; Glenda Hames, Douglas; Richard Ward, Rawlins; Kenneth Windjue, Greybull.

NOTE.—The Handgun Body Count is based on a compilation of news reports of handgun

violence appearing in the nation's daily and weekly newspapers during the month. The figure includes murders, suicides, and accidents by handguns.

### TILTING AT WINDFALL PROFITS

## HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. SYMMS. Mr. Speaker, I wish to submit to the CONGRESSIONAL RECORD an excellent article on windfall profits by William E. Simon which appeared in the December 1, 1979, issue of Human Events and the winter 1979 issue of Policy Review, published by the Heritage Foundation.

Mr. Simon discusses the inconsistency of those who are concerned about the windfall profits of the oil companies, but do not object to profits in other areas of the economy. The real result of this discriminatory windfall profit tax on the oil companies would be to discourage investment in energy development. We need to increase investment in domestic energy development if we are ever going to decrease our dependence on foreign oil and critical minerals necessary to our economy.

I urge my colleagues to carefully read this statement as the Senate is now considering the windfall profit legislation, and we may be going to conference on this bill in a couple of weeks.

The article reads as follows:

#### TILTING AT WINDFALL PROFITS

(By William E. Simon)

"There are ten thousand stout fellows in the streets of London ready to fight to the death against Popery," observed Dr. Johnson, "though they know not whether it be a man or a horse." A similar state of affairs reigns in Washington, D.C. There are ten thousand stout fellows in the Carter Administration ready to do and dare against windfall profiteering in the oil industry—though they know not whether it be a man, a horse or, as I will argue here, a dragon (which is to say, a mythical beast).

But let us look first at the economic history of the notion. According to Mr. Arthur Seldon, the author of that indispensable little guide, the *Everyman Dictionary of Economics*, it was Keynes who invented the term "windfall profits" to describe those entirely unforeseeable economic gains which accrue to people as a result of inflation. Here is a Keynesian argument which contains some truth. Inflation is a mixed curse. Not only economically and socially disruptive in general, inflation also inflicts disproportionately severe hardships on some groups and confers actual economic advantages on others. It does so, moreover, in an arbitrary, capricious and unforeseeable fashion.

Debtors, for instance, benefit from inflation, which reduces the real cost of repaying debts. So do owners of those forms of property which rise in value as investors desperately seek a hedge to shelter them from the inflationary whirlwind. Houses and objects d'art are usually safe investments against inflation—but not invariably. Hence, the arbitrary windfall element in their gains.

On the other hand, creditors lose by being paid back in a devalued currency. In effect, they have been paying the debtor for the privilege of lending him their money. Savers of all kinds also suffer, especially holders of

fixed-income securities. And those entering the housing market for the first time find that house prices have risen so steeply that their down payments are just about adequate for purchasing a converted tool shed.

Inflation, then, rewards some with windfall profits and burdens others with windfall losses. If a government were seriously intent on correcting these inflationary inequities created by its own monetary incontinence, it would have to introduce a complex indexed network of differential subsidies and taxes to compensate some and punish others in proportion to their ever-changing financial gains and losses.

This is clearly an administrative impossibility. Yet, even if it were a simple book-keeping transaction, politicians would steer well clear of it for the obvious reason that the government is the biggest windfall profiteer of all from inflation.

The trick is worked thus. Taxpayers, whose incomes rise in line with inflation, are no better off in real terms. But their rising paper incomes push them into higher tax brackets so that they pay in tax a larger percentage of the same real income. Corporations, too—including the oil companies—find that inflation has reduced the real value of allowable depreciation provisions. Add together all of the taxes which have been silently increased by inflation in recent years and you will find that the total figure amounts to a substantial extra sum in government revenue.

Prof. Milton Friedman estimated that the government's total revenue from inflation amounted to more than \$25 billion in 1973 alone. And other studies have suggested that inflation-induced tax increases could add \$50 billion to its citizens' tax bill by 1980. So a tax on the government's own windfall profits (i.e., a tax reduction) would restore large sums to all classes of taxpayers (again, not excluding the oil companies).

So much for the windfalls of inflation. In a wider, more colloquial sense, however, the term has come to mean any undeserved and unexpected surplus of income over costs. But how are respectable profits distinguished from the windfall sort? Let us look at two hypothetical and contrasting success stories.

Suppose that you wake up tomorrow morning with a vision: the accurate blueprint for a revolutionary new automobile engine that multiplies gasoline mileages severalfold. Your invention is quickly put into production, enabling hundreds of thousands of drivers to enjoy Cadillac comfort at Pinto prices. Naturally, your line of cars sells as fast as your assembly line can produce them. As the inventor holding the patent, you become fabulously rich. What shall we call the riches you acquire? Quite obviously, they are the profits of ingenuity, application, hard work and enterprise.

Now, take a slightly different case. Suppose that you are working in your garden, planting tulip bulbs, when suddenly your trowel strikes a massive oil deposit—a real gusher. Again in short order, you become rich.

What is the difference between the two cases? In each case you would reap fantastic profits over a short period of time. In each case you would reduce American dependence on imported oil, thereby easing our balance-of-payments worries. Whether by making more gasoline available or by reducing motorists' consumption of fuel, you would be aiding the consumer. Society would benefit equally from both contributions. But in one case, your rewards would come as the fruit of your own ingenuity; while, in the other case, they would apparently be the result of pure, blind, dumb, senseless luck!

In all probability, your neighbors would be proud of you in the first instance, resentful in the second. If the public approves of

the manner in which you acquire your riches (as it smiles upon the fabulous incomes of athletes and movie starlets), then the money you earn is regarded as rightfully your own. If the public frowns on your business or doubts your moral claim to *deserve* the level of rewards, then your income is disparaged as "windfall profits."

Yet this distinction is based upon a fundamental confusion. As the egalitarians themselves argue when it suits them, we are simply unable to identify and separate the distinctive contributions of luck and merit to economic success. Both play a part—but a different part in each individual case.

Luck, for instance, covers more than merely discovering oil wells with a trowel. It is responsible for much that is most personal and individual about us. There is no merit in being born with the kind of figure that wins the Miss Universe contest or the kind of brain that picks up Nobel prizes. From the moral standpoint, it is merely a matter of chance.

Of course, merit enters at some stage. Some people put their advantages to good use; others allow striking figures to run to fat or waste high intelligence in the search for an infallible system to break the bank at Monte Carlo. Nor is meritorious endeavor enough on its own. There are decent people who work hard all their lives but never prosper because God endowed them with average or inferior abilities. Even in what seem the clearest cases of poor-boy-makes-good, therefore, we have no way of disentangling, let alone measuring, the relative importance of personal effort, inherited ability, the helpful or damaging influence of other people, or any of the innumerable factors that might just determine success or failure in the individual's life.

The concept of windfall profits is weakened even further if the element of foresight is introduced. Some people profit from their acute business savvy, their ability to predict fortuitous market conditions. Now, conscious accurate prediction surely reduces the purely chance windfall element in their reward. But does the mere exercise of intelligent speculation, which may profit from price changes without affecting them, make a man as deserving as our gasoline engine inventor? Does it make him more deserving than our lucky gardener? Indeed, would the gardener's profits be less of a windfall if he had chosen his house partly because of rumors that the surrounding land was oil-rich? Suppose, too, that he had paid more for the land because of these rumors. Would not his windfall profits then be the reward of risk capital, namely the extra element of the house price? And if so, would they not be more "deserving" and justifiable—though bringing no greater benefit to society?

On the other hand, would the speculator be more deserving of a high income if his speculation happened to improve the workings of the market by smoothing out price fluctuations? Who can answer these questions at all satisfactorily? Only God has the comprehensive information required for making judgements of that order.

A capitalist economy makes no attempt to pursue such distinctions. Income is not taxed on a scale according to the abstract, unknowable merits of the earner. Instead, anyone who generates wealth is entitled to keep his fair share after paying the level of tax levied on everyone else. The prospect of reward stirs people to take initiatives—and the prospect of unusual reward prompts daring people to take unusual initiatives. Whereupon our present prosperity is based.

We cannot therefore pass judgment on the windfall element in individual success. But can we perhaps ascertain whether certain economic activities as such inevitably lead to undeserved windfall gains? There is a school of thought which has long argued that pos-

session of a scarce and valuable resource can yield windfall profits if its supply cannot be increased in response to price changes. An opera singer's voice and rising land values are the textbook examples. As Mark Twain put it, "Buy land, my boy, they're not making any more of it." In this context, the phrase "windfall profits" means any profit that cannot be justified socially as bringing supply and demand into balance.

Yet, taking these textbook examples, it can be shown that there are no goods—not even land itself—in fixed supply. If the price is right, land can be manufactured. Is not much of Holland land reclaimed from the sea? And until environmentalists stymied the pan on behalf of rare geese, the British government was proposing to build the third London airport at Maplin, at present a sandy sea marsh.

Nor is land as such even in short supply. There is enough jungle, desert, arctic waste and malarial swamp in the world to house all humanity, allowing ample elbow-room, several times over.

What people mean when they lament the shortage of land is that land of a certain kind or usage is in short supply in a particular locality. But this problem can be solved easily enough by changing the existing land use. Agricultural land can thus be reclaimed from the desert by irrigation, or agricultural land rezoned for building development.

To illustrate this point, let us again take a hypothetical case. A leafy suburb, far from the madding crowd and so inhabited by Friends of Humanity with Volkswagen beetles and a taste for granola, is surrounded by land zoned for agricultural purposes only. Because people wish to move into this desirable but artificially restricted neighborhood, the price of both land and houses soars to windfall levels. Eventually, permission is sought and obtained for nearby land to be zoned for building.

At once the land values in the suburb fall sharply as more land comes onto the market and reduces the artificial scarcity. Meanwhile, the rezoned farmer's land increases rapidly in price as restrictions are lifted which, until now, have held its value artificially low. What has actually happened in this example? The farmer has been suffering a windfall loss for years—and only now is he able to obtain the true market value for his property. But that is not how the matter appears to the Friends of Humanity. Perhaps irritated by the fall in value of their principal capital asset, they rage that the farmer has been granted an ill-gotten windfall profit, namely the rise in land value "created" by the "community" when it rezoned his land (i.e., when it finally gave him the right to use his own land for his own purposes).

Land is therefore not in fixed supply. And any windfall profits which seem to accrue from its possession are really the result of government restrictions on land use. But before we leave this topic, what of the popular opera singer's voice?

Well, if the price for her kind of sound were set high enough, she could sing more, multiply her performances greatly by the use of films and recordings, and encourage the production of near-substitutes by training proteges to sing as nearly as possible in her distinctive style. Her profits would now be enormously greater than before—but they would not be windfall profits in the sense described above because they would have elicited a cataract of arias to the delight of opera lovers and the irritation of their neighbors.

We are thus led to a series of agnostic, commonsense conclusions. The first is that all profits and all losses contain a windfall element—the windfall usually being an unanticipated consequence of government action. Thus, Chrysler would not be in such

dire straits if the government had not added to its costs by imposing extravagant safety and environmental standards for automobiles. Secondly, it would be extremely rare for any profits or loss to be attributed wholly to windfalls. Certainly Chrysler cannot make this claim since American Motors, a company of similar size, actually achieved an economic recovery during the same period of excessive and wrongheaded regulation. Finally, we have no way of knowing precisely how big the windfall element is in any particular gain or loss.

The conclusion that all profits of their nature contain a windfall element would be supported by textbook economists on slightly different grounds. For they agree that all profits reflect an element of risk which itself reflects the element we call uncertainty, the unexpected or chance. Were that not so and a very high profit on, say, offshore oil could be absolutely guaranteed, then investors would flock to put their money into it. In so doing, they would greatly increase demand for underwater equipment, oil drilling platforms, divers, skilled geologists and all the factors needed to move the oil from under the sea to the gasoline station.

The price of all these goods and services would therefore rise—the process only stopping at the point where the cost of additional investment capital equalled the return expected on the investment. Therefore, in the absence of uncertainty and windfall chance, there would be little or no profit at all.

All in all, the case for singling out certain profits as unjustifiable windfalls and consequently subjecting them to disproportionately heavy taxation is thin to the point of invisibility. Insofar as it has any substance at all, it implies that the government has a duty to compensate people for windfall losses, notably those resulting from its own misguided interventions, and to restore to the community the windfall gains it has itself made from inflation with taxation.

But the specific argument for a windfall profits tax levied solely on the oil industry is simply a logical vacuum. It has no substance whatever.

If windfall profits exist throughout the economy either in undiluted form or, as I have argued, as an element in almost all incomes, what possible justification is there for singling out a particular class of taxpayer and exacting a levy from them alone? This is discriminatory and unjust—no different in principle from the Administration deciding to levy a higher rate of income tax on labor union members on the grounds that their union-negotiated wages contain a windfall element based on excluding non-union members from the factory.

Indeed, for the analogy to be absolutely precise, the extra tax would have to be limited to members of a particular union, selected merely because of its temporary political unpopularity. Even in such circumstances, a tax of that character would produce an outburst of protest. But, in part because businessmen shrink from political conflict and controversy, there is little concern publicly expressed at this manifest instance of injustice directed at the oil companies.

And what is the likely consequence of this discriminatory tax? At a time when investment in all forms of energy is imperative, potential investors have been warned to stay away from the oil industry. The proposed tax is a declaration that profits from oil will be treated not more favorably, but more harshly, than profits from all other industries and services. Since other industries use more energy than they produce, this amounts to a policy of investment incentives directed to creating and maintaining our energy shortage!

Much of the political momentum behind

the proposed tax, of course, comes from the feeling that it is somehow immoral for the oil companies to make large profits as a direct result of damaging actions by foreign governments and OPEC. Hence the demand that the companies should not "rip off the American people" and so on. But we are here in the presence of great rhetorical and logical confusion.

First, a congressman denounces the oil companies for their wickedness in making vast windfall profits and threatens them with the punishment of nationalization. It soon becomes clear even to him, however, that it is absurd to blame a company for the windfall accident of seeing its profits rise because foreign governments increase world oil prices. After all, what is a virtuous oil company to do in these circumstances? Is it supposed to pay a voluntary tax over and above the regular and corporate taxes? And if so, would not all citizens be equally obliged to pay voluntary taxes if they enjoyed some windfall gains—say, at the races? But a congressman at once sees the difficulty of explaining this at election time and so moves on to a new tack.

He denounces the oil companies for deliberate collusion with OPEC and each others in raising prices. Little hard evidence has been produced to support these dark suspicions. Which is not surprising since the oil industry's profits are not out of line with other industrial profits in the U.S. Over the period 1968-78, fully half of which includes the period since OPEC quintupled oil prices in 1973, the oil companies show a rate of return on capital of 13.7 per cent compared to a manufacturing average of 13.5 per cent. Those industries which have enjoyed much larger profits include broadcasting, publishing, soft drinks and cosmetics. And, if there were incontrovertible evidence that the oil giants were colluding with OPEC and each other, the government could take advantage of the laws in existence which prohibit such commercial arrangements. That it does not take this obvious step is surely an eloquent comment on the truth of its rhetorical accusations.

For a windfall profits tax is the worst possible response to a cartel. It amounts to accepting the cartel as a permanent economic fixture and tolerating the "rip-off" it enjoys from artificially high prices on the condition that the government gets a share of the swag.

Of course, in the short term, oil profits do rise when OPEC increases its prices. But an increase in profits for the suppliers (and potential suppliers) of a suddenly scarce commodity should be welcomed. Only when profits rise can companies amass the immense amounts of capital necessary for new exploration. Only then will outsiders be given the incentive to undertake the substantial costs of entering the oil business. So, the faster profits rise, the faster new oil will come into the market and the faster OPEC's stranglehold will be removed. A tax will hinder this beneficial process, either slowing down energy independence or making the consumer pay more for it.

In other words, it is Big Government which is ripping us off, not Big Oil.

There is another fundamental problem with the windfall oil profits tax—how is it to be calculated? Presumably it must be based on some estimate of the windfall element in oil profits (which, as we have already seen, is impossible to calculate). Sophisticated defenders of the notion and President Carter argue that it will be a levy on that part of the profits from deregulated oil prices that can be ascribed to OPEC's cartel activities. It will, so to speak, be a levy on the difference between the actual deregulated market price and the Platonic ideal of the market price as if OPEC had never been invented. But that can be no more than a guesstimate, an arbitrary figure plucked from the air, a gleam in President Carter's eye.

So, in practice, as compared to sophisticated theory, the tax will simply be a levy (of 50 per cent in President Carter's proposal, 60 per cent as passed by the House and goodness knows what in the end) on any rise in oil prices since President Carter spoke, without any fussy enquiries into whether the rise is due to cartel activity on market conditions.

In *Forty Centuries of Wage and Price Controls*, Robert Schuettinger and Eamonn Butler have surely exploded the myth that government enjoys a superior wisdom that enables it to second-guess the market successfully. The first results of this policy are shortages, queues and a flourishing black market. In this instance, the first result of holding down oil profits while prices are rising would be to cut the automatic link between higher prices and increases in supply. It would reduce the profits available for exploration and discourage entrepreneurs from embarking on the risky business of discovering new oil fields. New oil would be less profitable and so less likely to come into the market.

The second result would be to make existing known oil fields, which are on the margin of profitability, simply not worth exploiting. In recent years, the British have discovered that OPEC's raising of world oil prices has transformed just such marginal oil fields into handsome investments. By introducing a windfall profits tax on such fields, however, the U.S. government would achieve exactly the reverse. However high oil prices soared, the level of profits would be held down with the result that many oil fields worth developing at the then reigning price would be left pleasantly undisturbed. Thus, "old" oil would also be less likely to come into the market.

Who would benefit from this? Environmentalists would be pleased, of course, and those environmentalists living in warm climates would be pleased long-term. So would OPEC, since alternative oil, now theoretically profitable at prevailing world prices would not actually come into the market and reduce the world oil price by increasing supplies. But the American consumer would be actually worse off. He would be paying higher prices but still sitting in the gas lines which higher prices are usually allowed to banish. Demagogues, however, would flourish—denouncing oil companies for the shortages, caused by misguided government intervention, and demanding more government intervention to cure them.

Then, no doubt, we would have inflicted on us the secondary consequences of intervention in the market—namely, a growing bureaucracy, controls that extend to more and more features of economic life, increasingly severe penalties to enforce them, and, finally, the seizing up of the economic system—at which point the whole apparatus is removed and economic life can begin again. Ironically, President Carter's oil strategy contains some of these disasters built-in from the start—notably new bureaucracies in the form of the Energy Mobilization Corporation, with powers to override the objections of lesser bureaucracies and to disburse vast sums of public money on bright ideas about synthetic fuels and new sources of energy.

The more one examines President Carter's notion of using oil windfall profits to finance a new energy independence, the more illusory, nonsensical and self-destructive it appears. Of course, to advance the argument that two plus two equals four in the vicinity of the White House today is to risk being denounced as a tool of the big oil corporations. But the new McCarthyism of the anti-business culture should not prevent public men from declaring that nonsense is nonsense is nonsense. Nor should the present political unpopularity of the oil companies—an unpopularly based on economic illiteracy and scaremongering—allow us to treat them with manifest injustice. We should re-

member Chief Justice Jay's dictum: "Justice must always be the same, whether it is due from one man to a million men or from a million men to one man." ●

#### COMMUNICATOR OF THE YEAR AWARD TO SPEAKER TIP O'NEILL

**HON. JERRY M. PATTERSON**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. PATTERSON. Mr. Speaker, on Friday, November 9, the Capitol Hill Toastmasters Club No. 1460 honored the Speaker of the House, the Honorable THOMAS P. O'NEILL, JR., as its 1979 "Communicator of the Year."

In his gracious acceptance speech, the Speaker admitted he was not a polished public speaker in his early years of public life.

As a leader in the Massachusetts State Legislature at age 35, Tip was in demand to speak at a variety of testimonials around Boston. After accepting a date to speak to a group honoring a fellow Bostonian, he realized he didn't know a thing about the man, really did not care much about him, and approached the dinner with less than an enthusiastic attitude.

Fortunately, the legendary political boss of Boston, the eloquent James Curley, was on the program. When it was over, he took young O'NEILL aside and asked him to come to breakfast at his home the next morning.

Tip entered the home, impressed with the elegance of the house, not knowing what was in store. Curley was about to share with him the secrets of his eloquence. He told Tip that there were 10 great poems and essays that were applicable to almost all situations, and if committed to memory, would be valuable aids in all future speeches.

I believe every Member can find both inspiration and practical benefit studying and using these 10 great passages from classical literature:

1. Polonius' famous address to his son, Laertes (from Shakespeare's *Hamlet*).
2. Selected Phrases by Oliver Goldsmith (book).
3. *It Can Be Done* by Edgar A. Guest (book).
4. "Abou Ben Adhem" by Leith Hunt (poem).
5. "Around the Corner" by Charles Hanson Towne (poem).
6. "If" by Rudyard Kipling (poem).
7. "Friendship" (from book of *Essays* by Emerson) by Ralph Waldo Emerson.
8. "Psalm of Life" by Henry Wadsworth Longfellow.
9. "The Man in the Glass" (author unknown) (poem).
10. "Rules of the Road" by John Boyle O'Reilly (poem).

Toastmasters International is an organization devoted to improving its members' ability to express themselves clearly and concisely in public speaking; to develop their leadership and executive potential; and to achieve whatever self-development goals they may have set for themselves.

Toastmasters International is a non-profit educational organization with 3,680 clubs and 68,000 members, not only

in the United States, but throughout the world.

I am proud of the fact that the headquarters for Toastmasters is located in my hometown, in Santa Ana, Calif. I have been a member of Toastmasters International for many years. The Capitol Hill Toastmasters Club meets twice a month in the Rayburn House Office Building. The meetings are open to guests and new members. For more information please contact Mr. John Pontius, the club's administrative vice president. He can be reached at 225-5425.●

AD HOC CONGRESSIONAL COMMITTEE FOR IRISH AFFAIRS HOLDS FINAL MEETING OF 1979—HONORED BY ADDRESS GIVEN BY HON. NEIL BLANEY OF IRELAND

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. BIAGGI. Mr. Speaker, as chairman of the 130 Member Ad Hoc Congressional Committee for Irish Affairs it was my distinct privilege and honor to convene our final meeting of 1979. Today at the meeting we had as our guest one of Ireland's most distinguished political leaders the Honorable Neil Blaney. Neil has served with distinction for 31 years as a national legislator in Parliament including 10 years as a Cabinet minister. In addition in 1979 he was elected to the European Parliament by a overwhelming mandate.

At this point in the RECORD, I wish to insert my opening statement as well as the address delivered by Mr. Blaney. I would also acknowledge the presence of my colleagues Mr. HANLEY, Mr. RANGEL, Mr. CONYERS, Ms. OAKAR, Mr. MCHUGH, Mr. SCHEUER, and Mr. GILMAN.

The article is as follows:

STATEMENT OF HON. NEIL BLANEY

Mr. Chairman, Members of Congress, I am pleased to be here today in the Capitol of the United States as a guest of the Irish National Caucus, which has done such great work in making human rights in Ireland an American issue.

I am also honored to appear before the distinguished Members of this Congressional Committee for Irish Affairs.

Speaking for the people of Ireland, I want to commend Chairman Mario Biaggi and all the Members of this Committee for your good work. I believe you can play a vital role in bringing a just peace to Ireland.

I especially want to commend you for your efforts to establish human rights in Ireland—particularly the basic human right of self-determination.

I'm sure there is little need to tell you of the enthusiasm and hope we in Ireland felt in learning of the introduction of House Concurrent Resolution 122 in the House of Representatives. If enacted, this Resolution which instructs the Congress of the United States to call upon the Government of Great Britain to embark upon a new initiative for Ireland that ends all violations of human rights and promotes self-determination, would provide a major break-through in the political stalemate which now exists in the English-Irish conflict.

That conflict has been a long, bitter and

often bloody one. The real tragedy of this past decade lies not merely in the cold statistics of the dead and injured, but in the very real human suffering that exists this very day in Northern Ireland—and, sadly, in the refusal or inability of the governments involved to resolve the problem.

I have preached a single policy since the recent trouble first loomed on the horizon in Ireland in 1968—that policy was, and is, that Britain has only one realistic initiative open to her and that is to make a declaration of her intention to seek an honorable withdrawal from Ireland.

Because of that policy I broke in 1970 with the ruling Government Party—in which I had been a Cabinet Minister for 13 years. As a result, I was subjected to a campaign of misrepresentation aimed at discrediting my stand.

Today, after a toll of 2,300 dead, some 14,000 injured, more than 10,000 who have suffered imprisonment, torture and degradation for political offences, and a whole generation of our youth seared by the pain of it all, recent surveys show that my view is, in fact, not a minority one at all. These surveys reveal that 78 percent of the people of the Twenty-Six counties in Ireland and more than 50 percent of the public in Britain agree that British withdrawal is necessary.

Too often when discussing the Irish situation, otherwise intelligent men will talk only of the "violence"—never the "solution". Let there be no mistake. Violence, so long as the British stay, is inevitable. The Partition of Ireland was conceived in violence—under the threat by Britain of "immediate and terrible war" if the unnatural division of our country was not accepted. This Partition has been, is being and, perhaps most importantly, can only be maintained by violence.

I come before you, at the request of the Irish National Caucus, to talk about solutions.

Those who oppose the logic of British withdrawal invariably do so on the basis that it would result in civil war. Being most logical, the answer to that is that the British should phase their withdrawal in order to allow us time for negotiation—with all Irish parties putting everything on the table for discussion, debate and, of course, concession. You need to remember that the people of Ireland have never been given this opportunity. The British presence has always precluded the convening of any all-Ireland discussion, despite the benefits that might be derived for all the people of our island.

I would see within six months—and certainly not more than one year from such a British declaration—the setting up of a "Central Executive", to which would be reserved control of security—through both the armed forces and police—and of foreign affairs for the whole of Ireland. That "Central Authority", in my opinion, should have an equal number of representatives from the Six and Twenty-Six Counties.

We come now to the crucial question of how Britain can be induced into declaring her intention to withdraw.

America, by reason of her ties with both Britain and Ireland, has an important and historic role to play. First in persuading the Westminster Government to make this morally just decision in regard to her oldest colony and, second, by assisting in the reconstruction that will be necessary once peace has been established.

President Carter has already made a generous offer of financial aid when peace is achieved. This is appreciated, but he must also recognize that America has a duty, because of her stated foreign policy on human rights, to insist on the basic human right of self-determination for the people of Ireland.

Because I believe in that commitment to the protection of human rights, and because I believe in the inherent justice and com-

passion of the American people, I welcome the invitation of the Irish National Caucus to come to your country to appeal to all Americans of good will to seek a commitment from their government—at every level—up to and including the United States Congress and the Presidency—to press the British Government to make this declaration to quit Ireland.

Others have come to tell the American people to do nothing—and to convince the American Government, indeed many of you present here today, that it is best to sustain and support the political vacuum they have created.

I come, both as an elected representative of a great number of Irish people and at the request, through the Irish National Caucus, of thousands of your constituents, to tell you and all of America that the people of my country do want and do need your support and your help in securing their full human rights.

The facts are clear. The problem in Ireland is political and, as such, demands a political solution. Your Government, by virtue of its posture in the world and its relationship with both Britain and Ireland, is in a unique position to effect positive political action.

I am appealing, in the name of the Irish people, to the United States Congress—to all America—to make 1980 The Year of Ireland. The year in which the people of this land, where the freedom of man was first enunciated, will help bring about an equitable end to the 900 years of conflict—the longest in the history of mankind—between the British and the Irish. In their name, I am asking you to help the people of Ireland share in the freedom you now enjoy.

In closing, I want to thank you again for the opportunity to address this Committee. I hope we can stay in close contact. Indeed it is my hope to be able to explore with Congressman Biaggi the possibility of establishing a formal liaison between the Ad Hoc Committee for Irish Affairs and the Parliamentary Group which I chair in the European Parliament. This group is comprised of eleven Independent Members from Italy, Denmark, Belgium and Ireland. I also hope that Congressman Biaggi will be able to come to Europe to address this group.

STATEMENT OF THE HONORABLE MARIO BIAGGI

Today the Ad Hoc Congressional Committee for Irish Affairs conducts its fourth and final meeting of 1979. In this year, our committee has been addressed by two most distinguished international figures from Ireland—the first was Sean MacBride, and today we will hear from the Honorable Neil Blaney, a noted member of both the Irish and European Parliaments.

As we review this year, we observe that from the Ad Hoc Committee standpoint, it has been a productive year. In the broad sense, we have raised the Irish issue from a position of relative obscurity to one which now enjoys national and international visibility. Also in this year, we have seen the growing influence of the Ad Hoc Committee within Congress as measured by our successful efforts which led to a suspension of United States arms sales to the Royal Ulster Constabulary. Finally, it was my personal honor as Chairman of this Committee to meet privately with President Carter to discuss Ireland.

Yet as we approach 1980, we realize that peace in Ireland remains unachieved. Even the necessary prerequisites for peace, namely the restoration of human and civil rights for all presently deprived and a declaration of intent by the British Government that they will at some point withdraw from Ulster, are only a tad closer to achievement.

We approach the coming year with guarded optimism. Our Committee's strongest efforts

will be directed toward gaining House approval of H. Con. Res. 122, legislation which I introduced last May calling on the British Government to embark on a new peace initiative for Ireland. The legislation has 81 co-sponsors at this point. We view the legislation as a positive catalyst which could hasten the progress toward a non-violent peace for Northern Ireland.

Today, as I have throughout my tenure as Chairman of this Committee, I restate my total opposition to violence in Ireland. I include not only civilian, but also official violence. Those in the news media who claim I am "soft" on violence make the claim because I refuse to accept the fact that violence in Ireland is one-sided. Official violence committed by the security forces of Great Britain and the Royal Ulster Constabulary was always denied and those of us raising the issue were scorned. Today official violence is no longer in issue. It is a confirmed fact.

The European Commission and Court of Human Rights found Britain guilty of inhumane treatment of prisoners and prison suspects. The British Government pleaded guilty to these charges. In 1978, the Nobel Prize-winning organization, Amnesty International cited the Royal Ulster Constabulary for similar acts of inhumane treatment. Perhaps the most meaningful of finds were those of the Bennett Commission, appointed by the British in an attempt to discredit the findings of Amnesty International. The Bennett Commission in fact confirmed the Amnesty charges.

The fact is, 1979 has seen a resurgence of violence in Ireland. I am most distressed over this development, especially the purely sectarian-based violence which has been at a lull for quite some time. The people of Northern Ireland are weary of violence and are seeking peace. Will their calls be answered?

Prime Minister Thatcher will meet with President Carter in Washington on December 17. We are mildly encouraged by her apparent interest in the Northern Ireland issue and feel a potential exists for real initiatives. Frankly, I do not consider her call for an Ulster peace conference to be particularly novel. I find it lacking on two grounds. The first is the limited scope of the participants. The four major political parties are by no means representative of all political thought in Northern Ireland. I have urged on repeated occasions that Mrs. Thatcher merely duplicate her sterling achievements in the Zimbabwe-Rhodesia peace talks. The key to their success was the inclusion of all parties, including guerrilla organizations in the talks. She has emerged with an agreement which will hopefully include a cease fire.

The second major shortcoming of the Ulster peace conference are the topics of discussion. The people of Ireland are yearning for discussions of substantive issues related to the future of all Northern Ireland, not on minute discussions about local Belfast city administration. A number of worthwhile political solutions have been advanced on both sides of Ireland. They deserve discussion. The failure of substantive topics to be placed on the agenda was the precise reason that the important Social Democratic and Labor Party rejected the conference.

We urge the President to raise the Irish issue in his discussions with Prime Minister Thatcher. Specifically, we call on the President to express his concern about past and ongoing violations of human and civil rights and urge that the British Government embark on a new peace initiative for Northern Ireland.

Our Committee is deeply grateful for the support we enjoy in wide segments of the Irish-American community. We believe our cause is sound and rational. We believe that a close and honest examination of our record will find us foursquare in support of a non-violent political solution in Ireland. The 1980's can and should be a decade of peace and justice for all the people of Ireland.●

#### MOBILE HOME RESIDENTS WORKSHOP

### HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. PATTERSON. Mr. Speaker, on Saturday, November 10, more than 250 mobile home residents from Orange County participated in a mobile home resident's workshop which I sponsored at the Westminster Community Center to show how mobile home living can move into the housing mainstream in a positive manner, and as a viable alternative to meet our need for affordable housing.

The workshop moderator was a mobile home advocate, Mr. Gil Hodges of Westminster. Mr. Hodges and other participants, including elected officials, agency representatives, and community leaders, focused on the importance and power of a mobile home resident's association to solve those problems endangering the mobile home lifestyle. The major problems addressed were tax and park fee increases, zoning, financing, and individual ownership rights. Effective resident associations can be formed by holding regular meetings, establishing goals, interacting with elected officials at all levels and utilizing the resources available through the Government and community agencies to keep abreast of current regulations.

In response to the overwhelming need for mobile home financial assistance Congress has already developed several programs to meet the needs of mobile home owners. Funding under the Housing and Urban Development section 8 program will be implemented in the near future. The maximum loan guarantees under both the FHA and VA programs have been increased resulting in 25 percent more loans to mobile homeowners this year. In addition, recently appropriated funding at the State level will make approximately \$7.5 million available for housing assistance. As a member of both the Subcommittee on Housing and Community Development and on Financial Institutions, I shall continue my efforts to direct more equitable financial assistance to mobile home residents.

At the State level, legislation recently passed allowing certain mobile homes to be taxed as real property has resulted in significant tax savings. Numerous bills providing for tax savings for senior citizens, increased loans from savings and loan associations, and refunds on property not considered part of the mobile home unit have passed the State legislature.

Highlighting the workshop was the discussion on zoning codes and land use options and how the recent action taken by local government and resident associations can obtain mobile home subdivisions, own your own lots and permanent zoning. Many of the individual problems cited by the workshop attendees can be solved by one of these options if a strong resident's association is formed to actively seek such a solution.

Another major area of concern to the

workshop participants deals with the rights of the mobile home owner. Mandatory mobile home improvement, limitations restricting the sale of mobile homes, and unfair eviction practices were the most commonly cited problems expressed by the workshop audience. Under Federal and State law, there is protection guaranteed to the mobile homeowners. In addition, there are a number of agencies which can be contacted for specific problems. Information regarding the basic rights of the mobile homeowner are found in the California Civil Code which is available through my office or that of your State representatives, State Senator Paul Carpenter or Assemblymen Chet Wray or Richard Robinson.

As the workshop concluded, a strong sense of commitment and direction by both the panelists and the audience to work more closely together was evident. Solving the critical problems of the 1,300,000 Californians who live in mobile homes will not be accomplished easily; it will require the organized efforts of these residents to join together and in an informed and unified manner work with Federal, State, and local officials to assure fair and equitable regulations to protect your lifestyle.●

#### WHO HURT AMERICAN YOUTH?

### HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. MICHEL. Mr. Speaker, the Carnegie Council on Policy Studies in Higher Education has proposed sweeping changes in the way we educate our young people. The council suggests the creation of a National Youth Service Foundation, a National Education Fund and other proposals aimed at helping the 62.3 percent of young Americans not in school or college. It is estimated that the council's proposals, if fully implemented, would cost between \$1½ to \$2 billion.

The changes, reports the New York Times, "are aimed at making learning more palatable, and at easing the transition between education and work." The plans, one of which is to have compulsory schooling end at age 16, "are intended to help youths become responsible members of society at a time when increasing numbers of those not academically inclined are apparently being alienated."

This all sounds very interesting and I look forward to seeing the full report of the prestigious council. In the meantime, however, judging only by the report in the Times, it seems to me that once again we have what might be called the National Plan Syndrome at work. Whenever there is a problem—real or alleged—the big foundations and councils and other establishment think-tanks do an expensive study, come up with expensive proposals, and tell us there is a crisis. This latest study is in that not-so-grand tradition.

The council has put its finger on a real problem—the fate of American youth who do not go to college, or even

finish high school, and are sometimes shuffled off to the side by school administrators. But American youth does not need billion-dollar Government programs. Perhaps innovative academics, former foundation executives looking for a new job or power-hungry Government bureaucrats need such programs. But what American youth needs is to be taken seriously. That is all.

Let us look at what it means to be taken seriously:

Instead of spending \$500 million in new support from title I to teach basic skills in high school, we should be finding out why those skills are not being taught in elementary schools. If American children are not learning basic skills in elementary school, you are not doing them a favor by demanding that high-school teachers try to do what trained elementary teachers cannot. It is typical of the educational establishment in this country that, faced with undeniable evidence of their massive failure to do the most important job educators can do, that is, teach basic skills to the young, attention is shifted away from those responsible for the failure—teachers and “innovative” curriculum gurus—to “new directions” in education. Let us look at what is happening in the lower grades before we set up a two-track system of illiteracy.

If the educational establishment really wants to help children not going to college, it can begin by admitting that for the past 20 years or so it has been the establishment that neglected them. You can help these young boys and girls much more by establishing a minimum wage differential than by any number of Government schemes. But when have you ever seen any education group lobbying for such an amendment?

Young people who do not want to go to school need jobs. Jobs are created by a favorable climate for investment, a low inflation rate and a Federal Government which creates an atmosphere in which risk and its rewards are open to the businessman. All of the “youth service foundations” in the world are not going to change anything if Government and self-appointed consumer spokesmen persist in seeing business as evil, profits as the work of the devil and technological growth as bad for people. Yet it is precisely this “business-is bad” attitude that has resulted in the new “lost generation” of American youth.

Do you really want to help young Americans who need jobs? Then get the Government off their backs and let our economic system work. In the meantime, educators had better take care of their own responsibilities instead of telling everyone else how society should run.

At this time I wish to include in the RECORD, “Panel Proposes Broad Changes in Education and Job Preparation,” by Gene I. Maeroff, from the New York Times, November 28, 1979:

PANEL PROPOSES BROAD CHANGES IN EDUCATION AND JOB PREPARATION  
(By Gene I. Maeroff)

A series of sweeping changes in public education, to give young people, particularly those not bound for college, more options in the critical years from 16 to 21, was proposed yesterday by the Carnegie Council on Policy Studies in Higher Education.

The changes, aimed at making learning more palatable and at easing the transition between education and work, are intended to help youths become responsible members of society at a time when increasing numbers of those not academically inclined are apparently being alienated.

“Young people who are failing to learn how to function effectively in a democratic society present a problem to the entire society,” says the 332-page report. “We all pay a price in terms of safety in our streets and our homes; in terms of heavy social costs for unemployment, law enforcement, and prisons; and in terms of the social malaise that stems in part from the recognition that we are not meeting the problems of many of our youth.”

The report is filled with a sense of urgency arising out of the Carnegie Council’s fear that, without drastic changes in schooling and job preparation, the nation is in danger of creating “a permanent underclass, a self-perpetuating culture of poverty, a substantial ‘lumpenproletariat.’”

#### COUNCIL WILL SOON DISSOLVE

In the last decade, the Carnegie Council and its predecessor, the Carnegie Commission, have issued dozens of reports on higher education. The council, based in Berkeley, Calif., is a research arm of the nonprofit Carnegie Foundation for the Advancement of Teaching. The council, which is preparing to end its existence, is increasingly concerned about the 62.3 percent of youths not in school or college. The report directs interest toward a group that has been largely overlooked in the great period of higher education expansion that the council itself helped promote. These are the main proposals:

The end of compulsory schooling at the age of 16.

A National Youth Service Foundation to give young people who do not go to school or enter the work force or the military a chance to serve their communities.

A National Education Fund from which people could draw financial credits for schooling throughout their lives.

High school-level work-study programs based on the college model.

Federal incentives to move most vocational training out of high schools and into community colleges and job sites.

Increased attention to the teaching of basic skills in high school, with \$500 million in new support from Title I of the Elementary and Secondary Education Act, which now is focused mostly on elementary schools.

The recommended changes would cost the Government \$1.4 billion to \$1.9 billion, but the report said that the cost would be offset by “reduced social costs.”

#### “SERIOUS INEQUITIES” FOUND

The lack of sufficient attention to the needs of young people not bound for college has left them unfulfilled by school and ill-prepared for the job market, according to the report, entitled “Giving Youth a Better Chance: Options for Education and Work,” which is being published by Jossey-Bass.

“There are serious inequities between the increasing resources devoted by our society to young people enrolled in higher education and the much less adequate resources allocated to those who do not enroll in college,” states the report, which was released at the New York City headquarters of the Carnegie Corporation, the council’s sponsor.

If adopted, the recommendations would make it easier for young people to drop out of school but there would be planned programs for them, and the schools would continue to monitor them.

Students who drop out without having shown they have mastered the basic skills would be referred for part-time instruction.

Those who remain in school would find it easier to get jobs, and though they may attend classes as few as three days a week, their schooling would concentrate on reading, writing and mathematics, as well as

encouraging work habits that could contribute to long-range success.

#### FOCUS ON INNER CITIES

“There is more at stake than success in reducing the number of young people whose destiny otherwise is poverty,” the report says. “The chronic truants and dropouts, especially in inner-city areas, are truly a ‘lost generation.’”

Three-quarters of the nation’s youth remain in high school long enough to get their diplomas, and one-half of those who graduate enter college. Statistics gathered by the United States Bureau of the Census showed in 1978 that only 37.7 percent of the 16- to 21 age group were enrolled in school or college.

Young people not wanting to pursue formal education would be able to join a large-scale youth service program similar to the Peace Corps or Vista. While in the youth service, they would get financial credits through a National Education Fund that would help them pay for future educational costs, as the G.I. Bill does for veterans.

Elimination of the “deadly” routine of school is one of the goals of the Carnegie Council, which envisions smaller high schools where young people would be motivated by specialized studies organized around such themes as business, music or aeronautics.

The mission of two-year community colleges would be enlarged to include much of the vocational education now offered in high schools. Furthermore, community colleges would take responsibility for maintaining a liaison with students in the two years after they leave high school, regardless of what the young people do with their lives.

In total, the Carnegie Council proposes a coordinated approach in which high schools, colleges, employers, a national youth service and the military cooperate to let youths shift back and forth, all the while gaining skills and experience to equip them for productive lives. ●

#### 1980 ELECTION YEAR MAILING RESTRICTIONS

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. UDALL. Mr. Speaker, with the 1980 election year rapidly approaching, the House Commission on Congressional Mailing Standards wishes to remind Members of the House of the franking rules and regulations governing mass mailings by candidates prior to elections.

Generally, Members of the House seeking reelection are prohibited from sending franked mass mailings during the 60-day period immediately before the date of any public election (whether primary, general, special or runoff) in which such Member is a candidate.

Further, any Member who is a candidate for statewide public office may not frank mass mailings outside of the congressional district from which the Member was elected, beginning at the time the Member is certified for candidacy.

Members should insure that staff persons responsible for mass mailings are knowledgeable of State election laws as they affect mailing privileges during the period prior to primary and general election periods. Members’ staff seeking advisory opinions from the Commission must certify that, to the best of their knowledge, the frankability of the pro-

posed mailing is not adversely affected by applicable State election laws.

Mr. Speaker, I cannot emphasize strongly enough the importance of compliance with these regulations. I urge my colleagues to assure that their staffs are familiar with the law, rules of the House, and pertinent regulations and guidelines governing the proper use of the franking privilege.

The Commission staff is ready to assist in every possible way.

A detailed explanation of the mass mailing provisions, along with a listing of cutoff dates for the Congressional primaries in the various States, follows.

**RULE XLVI—LIMITATIONS ON THE USE OF THE FRANK RULES OF THE HOUSE OF REPRESENTATIVES**

Clause 6 provides, in the case of any Member, any mass mailing shall not be frankable under section 3210 of title 39, United States Code, when the same is mailed less than 6 days immediately before the date of any primary or general election (whether regular, special, or runoff) in which such Member is a candidate for public office.

Clause 5 provides, in the case of any Representative in the House of Representatives, other than a Representative at Large, who is a candidate for any statewide public office, any mass mailing shall not be frankable under section 3210 of title 39, United States Code, when the same is delivered to any address which is not located in the area constituting the congressional district from which any such individual was elected.

Mailings made through the facilities of the House distribution service (folding room) shall be deemed in compliance with this rule if such mailings are delivered to the House Folding Room not less than 62 days before the date of such election, with instructions for immediate dispatch.

**DEFINITIONS**

Mass mailings are defined by law [39 U.S.C. 3210(a)(5)(D)] as newsletters and other similar mailings of more than 500 pieces in which the content of the matter mailed is substantially identical. Mail matter is deemed to be a mass mailing when the total number of pieces exceeds 500, whether in a single mailing or in cumulative mailings during the 60-day period.

Candidate for election or reelection to the House of Representatives: For purposes of the subject statutes, House Rule XLVI and the regulations, a Member of or a Member-elect to the House of Representatives is deemed to be candidate for public office at any election if his or her name appears anywhere on any official ballot to be used in a public election.

Candidate for statewide public office: For the purpose of House Rule XLVI, "statewide public office" means any State or Federal office, other than a U.S. Representative at Large, for which the candidate would be elected by a majority of votes cast throughout the State. (Examples: President, Governor, U.S. Senator, State supreme court justice, State senator at large, assemblyman at large, et cetera.) "Candidate" means a Mem-

ber who has qualified, under State law, for the official ballot in a primary, runoff, special, or general election, or who has been certified for candidacy by an appropriate State election official.

**EXCEPTIONS**

The subject statutes, rules, and regulations provide three exceptions to the mass mail prohibition prior to elections, as follows:

First. Mailings which are in direct response to inquiries or requests from the persons to whom the matter is mailed;

Second. Mailings to colleagues in Congress or to government officials (whether Federal, State, or local); and

Third. Mailings of news releases to the communications media.

The Commission believes the last two exceptions are self-explanatory.

In application of the first exception, the Commission stresses the phrase "direct response to inquiries or requests." Therefore, response to a signed petition with a form or identical letter individually addressed to each of the signers of the petition is frankable. However, a follow-up letter to the same list of petitioners is not frankable under this section in that it would not be in direct response to an inquiry.

Similarly, followup letters to persons who had previously written and had been answered on a particular subject, if such letters by their form and volume constitute a mass mailing, are not frankable during the 60-day period prior to elections. Also, requests for questionnaire results or other material, when solicited by Members on questionnaire forms or newsletters, are not deemed to be in direct response to an inquiry or request.

The above restrictions on mass mailings by candidates do not apply to mass mailings by the chairman of any standing, select, joint or other official committee of the Congress, or subcommittee thereof, and which relate to the normal business of the committee.

**TIME OF MAILING**

Processing by a postal facility: Mass mailings as defined under clause 6, House Rule XLVI, may not be mailed as franked mail by a Member of or a Member-elect to the House of Representatives when the same is mailed at or delivered to any postal facility other than the Publications Distribution Service of the House of Representatives, hereinafter referred to as the House Folding Room, less than 60 days immediately before the date of any primary or general election, whether regular, special, or runoff, in which such Member or Member-elect is a candidate for any public office.

Processing by the House Folding Room: Such mass mailings, if processed through the House Folding Room, shall be deemed to be in compliance with the subject rule and these regulations, if delivered to the House Folding Room, with instructions for immediate dispatch, not less than 62 days immediately before the date of any such election. In the case of mass mailings delivered to the House Folding Room prior to the 62-day cutoff period, the requirement of instructions for "immediate dispatch" may be modified to the extent that instructions are

given for delivery of the mailing to the addressee not later than the 60th day immediately before the date of such election. The House Folding Room shall issue a receipt, which shall specify the date and time of delivery and a brief description of the matter to be processed, to the Member at the time he or she delivers such mass mailings to the House Folding Room.

**1980 CONGRESSIONAL PRIMARY DATES**

State	Primary date	60-day cutoff (postal facility)	62-day cutoff (folding room)
Illinois	Mar. 18	Jan. 18	Jan. 16
Pennsylvania	Apr. 22	Feb. 22	Feb. 20
Texas	May 3	Mar. 4	Mar. 2
Indiana	May 6	Mar. 7	Mar. 5
North Carolina	do	do	Do.
Tennessee	do	do	Do.
Washington, D.C.	do	do	Do.
Maryland	May 13	Mar. 14	Mar. 12
Nebraska	do	do	Do.
Oregon	May 20	Mar. 21	Mar. 19
Arkansas	May 27	Mar. 28	Mar. 26
Idaho	do	do	Do.
Kentucky	do	do	Do.
California	June 3	Apr. 4	Apr. 2
Iowa	do	do	Do.
Mississippi	do	do	Do.
Montana	do	do	Do.
New Jersey	do	do	Do.
New Mexico	do	do	Do.
Ohio	do	do	Do.
South Dakota	do	do	Do.
West Virginia	do	do	Do.
Maine	June 10	Apr. 11	Apr. 9
South Carolina	do	do	Do.
Virginia	do	do	Do.
Kansas	Aug. 5	June 6	June 4
Michigan	do	do	Do.
Missouri	do	do	Do.
Georgia	Aug. 12	June 13	June 11
Alaska	Aug. 26	June 27	June 25
Oklahoma	do	do	Do.
Alabama	Sept. 2	July 4	July 2
North Dakota	do	do	Do.
Delaware	Sept. 6	July 8	July 6
Guam	do	do	Do.
Arizona	Sept. 9	July 11	July 9
Colorado	do	do	Do.
Connecticut	do	do	Do.
Florida	do	do	Do.
Minnesota	do	do	Do.
Nevada	do	do	Do.
New Hampshire	do	do	Do.
New York	do	do	Do.
Rhode Island	do	do	Do.
Utah	do	do	Do.
Vermont	do	do	Do.
Virgin Islands	do	do	Do.
Wisconsin	do	do	Do.
Wyoming	do	do	Do.
Massachusetts	Sept. 16	July 18	July 16
Washington	do	do	Do.
Hawaii	Sept. 20	July 22	July 20
Louisiana	do	do	Do.

**1980 GENERAL ELECTION**

Date	60-day cutoff (postal facility)	62-day cutoff (folding room)
Nov. 4	Sept. 5	Sept. 3

Note: The 60-day and 62-day cutoff regulations also apply to runoff elections in which the Member is a candidate. ●

**CARTER'S OPTIONS IN IRAN**

**HON. EDWARD J. DERWINSKI**  
OF ILLINOIS  
IN THE HOUSE OF REPRESENTATIVES  
Tuesday, December 4, 1979

● Mr. DERWINSKI. Mr. Speaker, the lawless action of the Iranian radicals in occupying the U.S. Embassy in Teheran and the holding of American hostages has been delicately handled by our Government. In dealing with the fanatical group in control of that country, we

need national unity, resolve, and the patience to last out the confrontation. After the hoped-for successful end to the hostage situation, at that time we should reappraise the economic and diplomatic moves that must be applied against the radical elements that rule Iran.

Therefore, I was very impressed with an editorial in the Chicago Sun-Times of December 3, which discusses the practical and necessarily prudent actions that the United States must consider in efforts to preserve the safe release of all the hostages. The editorial follows:

#### CARTER'S OPTIONS IN IRAN

(NOTE.—No act has so galvanized the American public toward unity in the last decade as has the holding of our people as hostages in Iran.—President Carter)

This much is admirable—national unity in the face of danger. But beneath the consensus flows an undercurrent of rage, pumped up by years of U.S. frustrations abroad—a rage that compels some to demand military retaliation against the malevolent Iranians who have trod on our honor. That's emotion, not reason. It can be hazardous to our national health and the well-being of our friends and allies, and it should be contained.

Carter so far is confronting the crisis with measured firmness, aiming for "actions that clarify the real issues, reduce the likelihood of violence, protect our interests and ensure justice." That's the reasoned way.

The idea of a military rescue of the hostages was scrapped because it would threaten their lives. But military assault remains one of Carter's options if the hostages are harmed or, if they are freed, to revalidate international law that protects foreign missions and to dissuade others from attacking our missions in the future.

It could even come to war. At his press conference last week, Carter was asked, "Is war thinkable?" He did not say, "No." Unreasoning hawks might nod approvingly at that. But the rest of us should be struck dumb by the possibility.

Consider oil alone. Iran's means little to us, but it is the lifeblood of our friends. Japan gets 40 percent of its needs from Iran. Sink some ships in the Hormuz Strait, the narrow artery out of the Persian Gulf shared by Iran and the Arabian Peninsula, and the non-Communist world would lose 60 percent—sixty percent—of its oil, and we would lose 20 percent of ours.

Beyond oil is the Soviet Union, which has a long common border with Iran. Would the Soviets sit still with U.S. troops there? Did we sit still when a single Soviet combat brigade was detected in Cuba?

Yes, there are options short of an engaged war. Bomb the oil fields? Ridiculous, for the reasons mentioned. Bomb the holy city of Qom? Grotesque. OK then, a naval blockade of Iran. And cut off our allies' oil?

Among the more viable options, we could bomb Iran's airfields and other military installations and/or impose a selective blockade or economic embargo to choke off the flow of food and other necessities to Iran.

But such measures are likely to consolidate the support of Iranians for the despised regime of Ayatollah Ruhollah Khomeini. Worse, they could ignite—on a broadly destructive scale—the anti-Americanism that festers in other Islamic states. The sacking of our embassy in Pakistan and the weekend's Moslem rioting elsewhere were but small samples.

The autocratic sheikhs of the Persian Gulf states—Saudi Arabia, Kuwait, the United Arab Emirates, Qatar, Bahrain and Oman—are nervously praying that the United States will not inflame their subjects into violence that eventually could be turned against them.

Khomeini is a hero to many Arabs, and he is exhorting them by radio to rise against "the oppressors of the people" as well as against "the satanic United States."

This is not an argument for appeasing Khomeini and his mobs. It's a simple statement that Carter's options are limited and that each carries risks.

Americans, then, should restrain the impulse to strike out blindly in an effort to retrieve national honor. Honor also lies in a peaceable defense of principle. In that we have the civilized world's respect, Khomeini has its opprobrium. ●

#### DO NOT HOBBLE THE FTC

### HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. DRINAN. Mr. Speaker, last week the House of Representatives approved H.R. 2313 which reauthorizes the operations of the Federal Trade Commission (FTC). This measure includes a legislative veto provision which would allow either the House or the Senate to reverse the regulatory actions of the FTC.

As I have noted previously, I believe there are serious constitutional objections to the general concept of the "legislative veto." Whatever the merits of that view, there should be little doubt that the imposition of a legislative veto on the FTC would, in the words of the Christian Science Monitor, "make a mockery of the agency's very purpose."

Mr. Speaker, if the legislative veto is retained through conference, I will urge the President to veto this legislation.

For the benefit of my colleagues, I ask that the full text of the Christian Science Monitor's editorial be included at this point in the RECORD:

[From the Christian Science Monitor,  
Nov. 29, 1979]

#### DON'T HOBBLE THE FTC

There is little disagreement these days that government regulation of business has in many cases exceeded the bounds of reasonableness. But it would be unfortunate if business groups self-servingly exploited the "anti-big government" mood to undermine those aspects of government rule-making which serve the interests of the American consumer. They threaten to do so now in their assault on the Federal Trade Commission, the independent federal agency charged with combatting unfair and deceptive practices in the marketplace.

The House of Representatives has approved legislation which would allow either the House or the Senate to veto FTC trade rules and impose other restraints on the agency. The measure ought to be resisted. If it is not, the authority of the FTC will be severely hobbled. How is it possible to have an "independent" agency and one acting vigorously if every decision is subject to a legislative veto? That would make a mockery of the agency's very purpose.

This is not to say the FTC is above criticism. Even Michael Fertuschuk, chairman of the commission, admits that some of the proposed FTC rules have not been well thought out and that the agency's economic analyses and remedies have fallen short of the mark. Other advocates similarly cite an overzealousness in carrying out the FTC's congressional mandate.

But it is ironic that Congress wants to penalize the FTC for doing what it was ordered to do. Four years ago, in order to eliminate the ineffective practice of piecemeal enforcement, which was unfair to consumers and business alike, Congress gave the FTC new powers to write rules applying not just to one company but to everyone equally within a given industry. The FTC responded with zest.

Stricter congressional oversight of the FTC appears needed in the aftermath of the 1975 legislation granting the agency more authority. Certainly someone ought to be watching out for unenforceable FTC rules or regulations entailing undue record-keeping and expense. But the one-house veto proposal in particular would be a caving in to the over-the-counter drug companies, used car dealers, funeral parlors, and other businesses riding the current wave of "anti-bureaucracy, anti-government" sentiment in the country. It would swing the anti-regulation pendulum too far. In the words of Senator Howard Metzenbaum:

"This action, if successful, will say to the FTC, 'Leave the monopolies alone, forget the price gougers, never mind the misleading advertising . . . go back into your shell and leave the American people to their own devices.'"

The legitimate concern of many is that the one-chamber legislative veto, if adopted, could later be extended to other regulatory agencies, such as the Environmental Protection Agency and the Occupational Safety and Health Administration. We hardly think the American people would elect to weaken these independent federal bodies, which for all their faults continue to make the marketplace safer, fairer, and more honest. ●

#### REAL ESTATE TAX

### HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. FISHER. Mr. Speaker, a section-by-section analysis of legislation to tax the gain from the sale of U.S. real estate owned by nonresident aliens and foreign corporations:

#### Section 1. Short Title.

This Act may be referred to as the Foreign Investment in Real Estate Tax Act of 1979.

#### Section 2. Amendment to the 1954 Code.

Unless otherwise indicated, this Act amends the Internal Revenue Act of 1954.

#### Section 3. Tax on Nonresident Alien Individuals.

A nonresident alien individual who realizes a gain or loss during a taxable year which is attributable to the disposition of a United States real property interest (as defined in Section 5 of this Act) shall be treated, for tax purposes, as being engaged during that taxable year in a trade or business within the United States. As a result, this nonresident alien individual will be taxed on this U.S. source income in the same manner and at the same rates as U.S. persons.

The gain or loss which is realized as a result of the disposition of a United States real property interest by a nonresident alien shall be treated, for tax purposes, as being effectively connected with the conduct of a trade or business within the United States.

As such, the gain or loss will be treated as gross income for the purpose of determining taxable income.

#### Section 4. Tax on Foreign Corporations.

A foreign corporation which realizes gain or loss attributable to the disposition of a United States real property interest shall be treated, for tax purposes, as being engaged

during the taxable year in a trade or business within the United States.

As such, this corporation will be taxed on this U.S. source income in the same manner and at the same rates as U.S. corporations.

The gain or loss which is realized as a result of disposition of a United States real property interest by a foreign corporation shall be treated, for tax purposes, as being effectively connected with the conduct of a trade or business within the United States.

As such, the gain or loss will be treated as gross income for the purpose of determining taxable income.

Section 5. Definitions Related To United States Real Property Interests.

A United States real property interest is defined as 1) an interest in real property located in the United States ("interest in real property" is defined later on in this section); 2) stock in a corporation which is a United States real property holding organization in a current taxable year or was such an organization in any of the preceding five taxable years ("real property holding organization" is defined later on in this section); 3) an interest in a partnership or trust which is or was a U.S. real property holding organization as described in subsection "2)" above.

An "interest in real property" includes fee ownership and co-ownership of land or improvements thereon, leaseholds of land or improvements thereon, options to acquire land or improvements thereon, and options to acquire leaseholds of land or improvements thereon. However, a United States real property interest does not include an interest in real property which is used in a trade or business, unless the property is used primarily for the production of 1) rentals from real property; or 2) income from farming; or 3) gain from a sale of a United States real property interest.

A "United States Real Property Holding Organization" is defined as a domestic or foreign corporation, partnership, or trust in which for any time during the taxable year a controlling interest is held by a or for ten or fewer persons and of which United States real property interests constituted more than 50 percent of the fair market value of the assets of the organization.

In determining the assets of the United States real property holding organization for the purposes of this section, the following which are in excess of a reasonable amount of working capital are excluded: cash, deposits with persons carrying on the banking business, deposit or withdrawal accounts with savings institutions, amounts held by insurance companies with an agreement to pay interest on them, marketable securities or other assets which are readily marketable.

In determining the assets of the United States real property holding organization for the purposes of this section, when a corporation, partnership or trust is a controlling owner of any controlled organization, then any property (such as stock) which constitutes an equity interest in the organization is not considered an asset. However, the assets of the organization shall include the pro rata share of those assets of the organization which are attributable to this equity interest owned by the controlling owner.

For the purposes of this section, a controlling interest by one corporation, partnership or trust in another such entity is defined as direct or indirect ownership of 50 percent or more of the total combined voting power of all classes of stock if such an entity is a corporation, or 50 percent or more of the fair market value of all classes of stock outstanding, or 50 percent or more of the fair market value of the capital or profits interest if such an entity is a partnership or trust.

For the purpose of determining ownership

interests in a United States real property holding company, ownership is defined to include direct and indirect owners, and actual and constructive owners.

For the purpose of this section, outstanding securities convertible into stock shall be considered outstanding stock if that is necessary to make the corporation a United States real property holding organization.

Section 6. Withholding of Tax on Dispositions of United States Real Property Interests.

As a general rule, any person who acquires a U.S. real property interest from a nonresident alien individual or from a foreign corporation, partnership, trust or estate shall deduct from the amount involved in the sale, exchange or other disposition of the interest 28 percent and shall withhold it for tax collection purposes.

Special rules are provided relating to certain partnerships in trusts.

This general withholding rule shall not apply if the person disposing of the U.S. real property interest provides the person acquiring the interest with a certificate stating (a) that the transferor is a United States citizen or resident or a domestic corporation, partnership, trust or estate, or (b) that the Secretary of the Treasury has reached an agreement with the transferor on the payment and collection on any taxes owed by the transferor resulting from the transaction, or (c) that the Secretary has determined that the transferor is exempt from taxation due to a tax treaty. The general withholding rule will also not apply if the acquisition of stock in a corporation is effected through the medium of an organized securities exchange. Finally, the withholding rule will not apply to transactions involving a single family residence where the disposition involves less than \$150,000.

This agreement reached by the transferor of the interest and the Secretary as to payment of the tax for the purpose of avoiding the withholding requirement is not a final determination of the seller's tax liability and shall not relieve an individual of the obligation to file a return.

The exemption from withholding provided for in this section is invalid if the buyer is aware that the certificate, which is required for the exemption, is false or fraudulent.

Section 7. Return of United States Real Property Holding Organization.

A United States real property holding organization in which stock or a capital or profits interest is owned by a non-United States person (as the tax code defines "person") for any time during that taxable year must file a return for that taxable year which may include such information as the Secretary may require as to the ownership by all persons of stock or a capital or profits interest in the organization for the taxable year. The Secretary shall publish not less than twice a year the name and place of organization of all corporations, partnerships and trusts which have filed returns under this section for not more than the previous two taxable years.

Section 8. Penalty for Failure of U.S. Real Property Holding Organization to File a Return.

Those organizations which are required to file returns under Section 7 of this Act, and which fail to do so without reasonable cause, shall be subject to a fine not to exceed \$25,000 a year.

Section 9. Inclusion for Estate and Gift Tax Purposes.

United States real property interests which are subject to a tax under this legislation, will be so subject, regardless of the tax laws imposing estate and gift taxes.

Section 10. Tax on Dispositions of U.S. Real Property Interests.

Nonresident aliens and foreign corporations shall be allowed tax credits for the

amount of the tax imposed by this Act which was withheld at the time of the transaction.

Section 11. Sources Within the United States.

The sale, exchange or other disposition of a United States real property interest shall be treated as income from sources within the United States.

Section 12. Income Exempt Under Treaty.

Tax treaties which would exempt transactions from the tax imposed by this bill would be overridden by this Act for taxable years after December 31, 1984.

Section 13. Amounts Treated As Overpayments.

The tax credit in Section 10 is refundable if it exceeds the amount of taxes owed.

Section 14. Effectively Connected Income. Conforming Amendment.

Section 15. Restrictions on Examination of Taxpayers.

An inspection of the taxpayers books for the purposes of the withholding provision of Section 6 is not considered an inspection for purposes of the section of the tax code which limits the IRS to generally one inspection per taxable year of a taxpayer's books.●

## ISRAEL'S MOMENT OF TRUTH

### HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Ms. HOLTZMAN. Mr. Speaker, international law and commitments between nations are being violated with great impunity these days. So it is especially important to note that Israel, at great risk to its security, has not hesitated to honor its commitment under the Camp David treaty to relinquish the Sinai oil fields to Egypt.

It would have been understandable for Israel to have hesitated. The commitment to give up the Sinai fields, Israel's only domestic source of oil, was made at a time when Israel believed that Iran would continue to be a reliable source. But Iran has since cut off all oil to Israel. Relinquishing the Sinai fields leaves Israel entirely at the mercy of increasingly insecure and increasingly costly foreign oil supplies.

In an editorial on November 29, the Washington Post praised Israel for the courage and deep commitment to peace implicit in its ceding of the Sinai fields. I commend that editorial to my colleagues attention.

The text of the editorial follows:

#### ISRAEL'S MOMENT OF TRUTH ON OIL

The Israelis have just done something truly amazing and commendable. At a moment when every other nation in the world is going bananas looking for ways to reduce dependence on foreign sources of energy, the Israelis have voluntarily abandoned the one source of oil under their control. The big Alma oil field in the Sinai, which they developed and brought into production to supply 20 percent of their needs, was quietly returned to Egypt as scheduled under the terms of the Israeli-Egyptian peace treaty. A little solar energy aside, Israel is now completely at the mercy of others for its energy supplies. Its debt is already murderous; the new step will raise its energy bill by perhaps a half billion dollars a year.

Israel has never had easy going in energy. It has yet to find significant resources on its

own soil. It has never been able to buy oil from Arab producers. The change of regime in Iran cut it off from its longtime principal source. Only one country, Mexico, now openly sells oil to Israel, which must otherwise deal with sources or middlemen that might halt the business—not, after all, a very large business—if it were publicized. Israel has a commitment from Egypt to sell a certain amount of oil at (for the first year only) a certain price, but this commitment can be no firmer than the overall state of Israeli-Egyptian relations and there are high hurdles—specifically, the Palestinian question—just a short distance down the road. The United States has undertaken to be Israel's supplier of last resort for a period of years, but that, too, involves political costs.

Prime Minister Menachem Begin is harshly criticized by some Israelis for accepting a peace treaty requiring the yielding of the oil wells. They say he is inviting an about-face by Cairo once a bit more of the Sinai, including some important passes, is returned. For what are, after all, gestures to Israel that an Egyptian leader could reverse overnight, Israel is giving up elements of the most tangible sort: territory, military bases and position, towns and farm communities housing 10,000 people, and now oil. This criticism, it should be added, reflects anxieties shared in greater or lesser measures by almost every Israeli.

Mr. Begin does not deny there is a risk. He says, correctly and courageously, it's a risk worth taking. Whatever may be said about his approach to the Palestinians, he deserves high respect for making good on his peace treaty with Egypt. The most notable proof of his conviction so far is perhaps that as the moment of truth on oil arrived, he did not flinch. ●

## MASS TRANSPORTATION

### HON. LES AU COIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. AU COIN. Mr. Speaker, with the sure future we all face of restricted petroleum supplies, no one can ignore the imperative of mass transit. Now is the time to weigh the choices before us, choices of mass transit systems that will move people and that are cost-efficient, choices of systems that service our mobile populations nationwide.

The following article I am inserting into the RECORD today comes from the November issue of Nation's Business. I urge my colleagues and anyone remotely concerned about transportation to read it carefully. The author, John Jennrich, offers some necessary questions in this discussion of future transportation alternatives: are private and public efforts compatible in fostering the growth of mass transit? What adjustments will we face in adapting to new technologies? What alternatives seem the most efficient and the most preferred for passenger travel, for cargo shipping, and for population changes?

While the answers cannot be contained by one article, I believe this piece can initiate creative solutions—solutions we all need and to which we can all contribute.

The article follows:

## TRANSPORTATION 2000: HOW AMERICA WILL MOVE ITS PEOPLE AND PRODUCTS

(By John H. Jennrich)

How will Americans get where they're going in the year 2000?

The federal government has spent \$5 million over two years to find out. The answer: Not much differently than they do today.

There will be some changes in the ways America moves its people and its products, but very little of the futuristic transportation found in science fiction novels will materialize. The nation will still run on wheels, wings, tracks, and water. The primary changes will be in fuels—more diesel and synthetic gasoline—and in transportation costs.

The government's report, prepared by the National Transportation Policy Study Commission, forecasts a capital investment of \$4 trillion between now and 2000 to keep a growing America moving. Rep. Bud Shuster (R.-Pa.), commission chairman, warns that the "world's best transportation system is in danger" because it may not be able to meet future needs.

"The present level of public and private investment will not preserve the existing system," he says. "The demand for transportation will grow dramatically, outdistancing the rate of population growth by nine times for freight and four times for passengers. Government over-regulation is inhibiting the return on investment necessary to attract capital for future growth."

Rep. Shuster's pessimistic alarm is echoed by Peter G. Koltnow, chairman of the Transportation Research Board, an arm of the National Academy of Sciences. He thinks the nation's highway system is living on borrowed time.

"The gap between highway needs and expenditures will grow substantially by 2000 unless our national transportation priorities are changed," he says. "Federal, state, and local governments are all going to have to deal with deteriorating highways."

"The report of the National Transportation Policy Study Commission shows that if we want a better system or even the status quo in the years ahead, we are already behind schedule in preparing for it," adds Mr. Koltnow, who is also president of the Highway Users Federation. "Although the public has come to expect a good road system, the report clearly shows that we are in danger of losing it."

### OPTIMISTIC ABOUT IMPACT

The commission's deputy executive director, John W. Fuller, is optimistic about the report's impact. He says it describes "moderate ways to make incremental changes." One or more congressional bills will result from the report, he predicts. Even with the big aggregate numbers, the cost of transportation as a percentage of family and national budgets is expected to decline.

But, Dr. Fuller adds, even if all the changes sought by Rep. Shuster and the other commissioners do not occur, America's transportation system will still operate. "It just won't be as efficient," he says.

Nevertheless, efficiencies in a system that costs trillions of dollars can amount to real savings, and everyone in the transportation field agrees that there are problems with efficiency.

The report lists about 80 recommendations to make the present system more efficient. These suggestions can be grouped under four themes.

An overall reduction in federal involvement. The commission feels that the government should do less itself and restrain business less. Its conclusion: "For most transportation issues, public interest and private profit are consistent rather than opposed."

Uniform national policy. While the same policy will not work for each transportation

issue, "policies should not work at cross-purposes," the commission says.

Economic analysis of proposed federal actions. The government should know what a project will cost before it begins. Also, the cost benefits of alternatives should be available. Economic analysis should be applied to nontransportation goals such as environmental protection, safety, energy conservation, and national defense. For safety and research, federal involvement, including financial assistance, is required.

Support from system users. "Free markets operate on the principle that those who benefit must pay for the costs," says the commission, which excludes urban and rural transit systems and air traffic control. These exceptions benefit the public generally, it says, and should be subsidized through taxes.

Underlying the recommendations is a complex, three-part forecast of trends and demographics that will affect transportation decisions of most businesses in the future.

The commission included low, medium, and high-growth scenarios, but generally used a medium-growth analysis. The report covers urban, rural, and intercity transportation of both freight and passengers. Its base year is 1975.

The transportation system over the next two decades shapes up like this:

Personal travel was 2.6 trillion miles in 1975 and will grow to 4.6 trillion miles in 2000. People will depend primarily on automobiles, although airlines will carry more long-distance travelers and by 2000 burn more fuel than cars. Despite increases in mass transit, traffic jams and urban congestion will survive. Highway fatalities will increase from 46,000 in 1975 to 67,000 in 2000, although the number of deaths per 100 million vehicles miles will go down.

Trucks, railroads, ships, barges, and pipelines will be the freight carriers. Railroads and ships will increase their market share. Freight hauling accounted for 2.4 trillion ton-miles in 1975; by 2000, it should reach 6.3 trillion.

America will still run predominantly on oil, although synthetic and other fuels will be used. The wellhead price of domestic crude oil, assuming deregulation, will rise 59 percent in constant dollars between 1975 and 2000. Domestic production will continue to decline until 1985 and then increase gradually. Demand will exceed domestic supply and until 1990 will be met through increased imports.

By the 1990s, synthetic crude oil will represent 20 percent of all crude oil available to refineries. Of the synthetic crude, 78 percent will be from coal.

Because of increased mining in the West, three times today's volume of coal will be moved twice its average distance, for a sixfold increase in ton-miles. The increase will mean that more energy will be spent in transporting energy.

Sufficient petroleum-based fuels can be made available for transportation only if all domestic energy resources are exploited, including solar, nuclear oil shale, tar sands, and coal liquefaction, the commission says.

Capital investment in transportation will equal \$4.2 trillion between 1975 and 2000, with \$1.2 trillion of that from various levels of government. While these are big numbers, the cost burden is actually decreasing. In 1975, the total transportation bill was 21.1 percent of gross national product. By 2000, it should decline to 19.8 percent.

In 1975, the cost of passenger transportation as a percentage of disposable income per capita was 17.6 percent. By 2000, with increases in real income, this will have dropped to 13.2 percent.

Gross national product will be nearly \$3.6 trillion in 2000, or 2.35 times 1975 GNP. There will be 260 million Americans living in 104 million households, up from 214 million

Americans in 71 million households in 1975. Disposable personal income per capita will grow to \$9,826, nearly double that of 1975, leaving more money available for traveling and transportation costs.

#### GROWTH PREDICTIONS

The commission predicts that average income will rise faster than the cost of owning and operating a car, that demographics will show a shift toward more and smaller households, and that the average age will continue rising, with more people reaching driving age.

In urban areas, where 75 to 80 percent of Americans live, passenger trips will grow steadily from 359.4 million in 1975 to 462.7 million in 2000. These trips account for about one third of all travel miles throughout the country.

About seven percent of the urban trips will be in mass transit vehicles, which will average about the same or slightly below the percentage in 1975. Only in cities with a million-plus people is transit ridership expected to rise.

#### OPTIMISTIC ESTIMATES

One of the hazards of forecasting transportation trends shows up in the urban mass transit figures. The commission report predicts that from 1975 to 2000 bus seat-miles will grow from 232.6 million to 433.9 million. During the same time, rail (subway, light rail or trolley, and commuter rail) will grow from 172.7 million seat-miles to 437.4 million, more than doubling in 25 years.

Arthur L. Webster II, the commission's director for policy integration, says: "These estimates are probably very optimistic." Although data for the prediction were obtained in June, 1978, rail service was bullish in 1978, he says. Ridership has not kept up with seat-miles, and high expenses tend to favor expansion of bus service over subways, Mr. Webster adds.

Mass transit will play a big role during rush hours, but the dominant vehicle for urban travel will still be the passenger vehicle, whether it be a car, truck, or van. While the number of highways increases moderately, and the number of freeway lanes increases faster, there will also be a big jump in the number of urban passenger vehicles, rising from 53.8 million in 1975 to 100.1 million in 2000.

Fuel consumption in 2000, assuming greater use of diesel-powered vehicles, is expected to drop below 1975 levels.

#### AUTO AND AIR DOMINATE

Some of the greatest changes will take place in intercity passenger movement. Measured in total passenger-miles, airlines will increase their share tremendously, bus and rail will decline from their already tiny fractions, and autos will decline slightly. Auto travel will still be nearly four times greater than air travel.

The commission report says: "While all modes exhibit absolute growth, auto and air clearly dominate, accounting for more than 97 percent of all intercity travel. The most significant shift is from auto to air, which grows at the highest rate.

"As income rises, the value of time rises, and air travel becomes more desirable because of its speed," the report adds.

Although both aircraft and cars will become more fuel efficient, planes use more energy per passenger-mile than cars. With the shift toward air travel, fuel use is expected to rise. Indeed, says the commission, "by 2000, planes may replace the auto as the dominant user of energy for intercity travel."

#### INTERSTATE SYSTEM

Cars today travel on 3.87 million miles of roads. Most intercity travel occurs on about 20 percent of that, and about 20 percent of all travel is on one percent of the roads, the nearly completed 42,500-mile Interstate

Highway System. In 1975, autos accounted for 1,123 billion intercity passenger-miles, or about 86.3 percent of the total. In 2000, autos will account for 1,830 billion passenger-miles, or about 78.2 percent of the projected total of 2,340 billion. By 1985, smaller autos will lose ground to medium-sized autos, a trend that will continue to 2000.

However, Eugene Bordinat, Jr., vice president-design for the Ford Motor Co., believes that government regulations will force automakers to produce a lightweight, fuel-efficient city car. It won't be an electric.

#### HYBRID VEHICLE

"I predict that the power plant of the city car will be a small, air-cooled reciprocating engine—an aluminum motorcycle engine, for example," he says. The car would carry a driver and one passenger, weigh 1,000 to 1,200 pounds and get 50 to 60 miles per gallon.

Mr. Bordinat also sees a "practical, multi-passenger, front-wheel-drive vehicle that can be readily converted into a high-volume cargo carrier, a cross between a station wagon and a van, but smaller.

"As we downsize luxury cars," he says, "we will replace pure size through the magic of electronics and new creature-comfort features—at no sacrifice to interior passenger space."

Another sort of vision came from postwar futurists who thought that by 1980 Americans would have a helicopter in every garage. Today, many Americans don't even have a garage.

The day is going to come, says Morris Belzberg, president and chief executive officer of Budget Rent-a-Car Corp., when private cars will be banned from center cities. In their place, along with mass transit, will be fleets of two-seater cars parked in strategic locations and available to anyone.

Activated by special electronics or magnetic credit cards, the autos could be driven to other sites and dropped off. A computer would keep track of how many miles a person had driven, and he would be sent a monthly bill. "Naturally," says Mr. Belzberg, "we'd like to be a part of that system."

#### OWN SMALL, RENT BIG

Meanwhile, Budget pushes the rental of big or special cars. "People can rent a big station wagon for the once-a-year vacation," says Mr. Belzberg, "and own a small commuter car. That's much more intelligent and prudent."

He flatly disagrees with predictions of an increase in multiple-car families and two-car families going to three cars as vehicles become more specialized. "It simply costs too much for insurance, maintenance, depreciation, and taxes," he says.

Air travel will grow from 148 billion passenger miles, or 11.4 percent of the total, to 472 billion passenger-miles, or 20.2 percent. The surge in ridership already under way, and the ravages of inflation are hitting hard.

"We've boosted our estimate of capital needs through 1990 by 50 percent, from \$60 billion to \$90 billion," says George W. James, senior vice president for economics and finance at the Air Transport Association.

The commission report says "it is widely agreed that few new large airports will be built by 2000," but existing airports will be expanded. In addition, not all air travel will go to the trunk carriers. As deregulation allows the major airlines to withdraw from marginal operations, regional and commuter airlines will take over.

#### EVERY PENNY COUNTS

"There's a trend toward more fuel-efficient planes," says Dr. James, "including the Boeing 767, 757, and 727/200, the Airbus A300, and the stretch DC-9s. Carriers are looking to a 30 to 40 percent increase in fuel efficiency."

And well they might. In the first half of 1979, jet fuel prices rose 17 cents to 58 cents a gallon. "Each penny increase costs us \$115 million a year," says Dr. James. "That 17 cents translates into nearly \$2 billion a year for the same amount of fuel."

Intercity buses are expected to increase their passenger-miles from 25 billion in 1975 to 31 billion in 2000, but this will be a reduction in the bus industry's percentage of the total from 1.9 to 1.3 percent.

Says the commission: "Prospects are not particularly promising for the intercity bus industry, unless fuel availability problems induce shifts from the automobile." It adds that bus industry productivity is limited by the 55 mph speed limit, seating capacity of buses, and a lack of technical improvement in bus equipment.

#### FIRST CLASS BUS SERVICE

The intercity bus industry is more optimistic. "I foresee a proliferation of bus service of all kinds," says Arthur D. Lewis, president of the American Bus Association. "I think we can expect a substantial increase not only in regular route operations, but also in charter and tour services. Likely innovations will include first class and perhaps even higher classes of service. Already the industry is experimenting with executive coach service seating 15 to 25 passengers in much greater comfort."

Mr. Lewis also sees more terminals in suburbs. Lee Whitehead, director of public relations for Greyhound Lines, Inc., agrees. "That's where the people are," he says.

Greyhound, which accounts for 60 percent of the intercity bus service, is pushing for total deregulation of the industry. "Let economics, not government whim, be the deciding factor," says Mr. Whitehead. He thinks Washington is coming around to that view.

If buses are deregulated, the discount fares used by airlines when they were deregulated will not be much use in attracting more bus riders. "Our prices are not that flexible," he says.

#### OWN RIGHT OF WAY

Railroads accounted for five billion passenger-miles in 1975 and are expected to grow to six billion in 2000, which is a drop in market share from 0.4 to 0.3 percent. Quasi-public, government-sponsored Amtrak operates passenger railroads over private, freight-hauling tracks—except in the Northeast Corridor where it has its own right of way and 60 percent of its ridership. Congress has allocated \$1.75 billion to upgrade the Northeast Corridor for high-speed train service.

While rail is weak in intercity passenger movement, it is and will remain the dominant freight mode in terms of ton-miles. The key to rail's strong position is coal, which the commission predicts will rise from 10.8 percent of total rail traffic in 1975 to between 14 and 20 percent by 2000. Railroads hauled 673 billion ton-miles of all freight for a 28.7 percent share of the market. By 2000, they should carry 1,983 billion ton-miles, up to 31.9 percent of the total, which is projected at 6.3 trillion ton-miles, or 2.6 times the 1975 load.

#### CRUDE OIL

Water is the only mode other than rail to show a steady increase in share of ton-miles over time, says the commission. As with rail, one commodity is critical—crude oil from Alaska. Because of Alaskan oil, water is expected to succeed pipelines in terms of ton-miles as the primary mover of crude oil by 2000. But this does not mean that oil tonnage will shift from pipelines to ships; the oil ships have long trips to make, which raises the ton-mile figure. Water transport will grow from 428 billion ton-miles in 1975 (18.3 percent of market) to 1,433 billion ton-miles (23.1 percent).

Coal accounts for 22 percent of barge traffic, a figure that will grow as more western coal is mined and transported. Federal Barge Lines, for example, is building a 15-million-ton facility to transfer coal from railcars to barges at Cora, Mo., 80 miles south of St. Louis on the Mississippi River.

John A. Creedy, president of the Water Transport Association, says that with one major exception—Lock and Dam 26 at Alton, Ill., on the Mississippi River—river system capacities far exceed today's traffic. "Of great importance," he says, "is increased coordination between rail and water modes, a continuation of the trend that has been going on quietly for years." Mr. Creedy suggests that railroads, many of which run east-west, can increase profits by greater coordination with barge lines on the Mississippi.

Urban freight movement, the commission notes, is an area in which "little success has been achieved in collecting data." Nevertheless, the trend is toward more frequent deliveries of smaller shipments. The number of truck-miles will increase faster than the number of trucks, reflecting a change in distribution patterns as more truck terminals move out of the central business districts into the suburbs with good access to freeway interchanges. One problem: More delivery trucks on the urban streets will cause more congestion and air pollution.

While both common carrier and private trucking will grow, its share of the market will remain about the same. Again, this is predicated on rail and water carrying the commodities with the highest growth. Inter-city trucks accounted for 488 billion ton-miles in 1975 for a 20.8 percent share of the market. By 2000, they will be up to 1,366 billion ton-miles for a 22 percent share.

#### PIPELINES LOSE SHARE

Pipelines, both oil and gas, are expected to lose market share by the end of the century. Oil pipelines will grow in absolute terms from 437 billion ton-miles, to 1,062 billion ton-miles, but market share will drop from 18.6 to 17.1 percent. Gas pipelines will grow from 312 billion ton-miles to 356 billion ton-miles, with market share dropping from 13.3 to 5.7 percent.

Air freight's share of the market remains constant at 0.2 percent. In absolute terms air freight will grow from four billion to ten billion ton-miles.

Looking at the commission's overall forecasts, Sen. Russell B. Long (D-La.), a commission member, says: "Two overriding themes emerge. First, our transportation system structure must be upgraded and maintained to enable it to move the domestic energy required to meet our future needs. This will require substantial funding.

"Second, we must strongly develop domestic fuels for transportation, which are vital for economic survival. This means increased domestic production of crude oil and rigorous development of alternative petroleum-based sources such as coal and shale oil and renewable liquid fuels such as alcohols from biomass, solid waste, and coal."

Looking at the challenges over the next 20 years, Mr. Belzberg of Budget Rent-a-Car says the nation cannot wait that long. He calls for a major project like the one that produced the atom bomb to upgrade and expand the nation's transportation system and develop energy self-sufficiency.

"If we have to wait 20 years," he says, "this country will be owned by the Arabs."

#### THE WAYS OF GETTING THERE

Transportation in America is a jigsaw puzzle with a million pieces—and a billion-dollar price tag.

Last year, the transportation system made up about 20 percent of the gross national product, or more than \$415 billion, and involved about 20 percent of the labor force, or about 20.5 million workers.

Today, the parts of the system look like this:

Highways and motor vehicles. There are 3.87 million miles of roads, 81 percent of which are paved. Of the total, which has increased only 20 percent in nearly 60 years, nearly 3.2 million miles are in rural areas and 683,000 are in urban.

The Interstate Highway System, a projected 42,500 miles, is 93 percent completed. However, the system was begun in 1956, and now more than half of what has been built needs to be upgraded.

The total road system includes more than 563,000 bridges, with most travel over the 248,000 bridges on the major federal-aid systems roads. More than 105,000 bridges, including nearly 40,000 major system bridges, are structurally deficient or functionally obsolete. About 72 percent of all the bridges were built before 1935.

Vehicles traveling on these roads and bridges include more than 117 million automobiles, 31 million trucks, five million motorcycles, and 500,000 buses. By 1980, says the National Transportation Policy Study Commission, 90 percent of the eligible population could be registered to drive.

Air. There are 11 domestic trunk air carriers and eight local service airlines. There are about 2,200 commercial aircraft, down in number from 1970 but significantly faster and bigger. There are also 199,000 private aircraft. In 1978, 280 million airline passengers traveled to 620 commercial points of service. Of the 14,574 airports in the nation, 428 have Federal Aviation Administration air traffic control towers. Domestic air freight serves 9,000 U.S. communities.

Pipelines. There are 440,000 miles of oil pipelines, 225,000 miles of gas pipelines, and 400 miles of coal slurry pipeline.

Water. Waterborne commerce travels in three basic types of vessels: Inland vessels, mainly tugs and barges drawing nine feet or less; Great Lakes ships with a maximum draft of 25½ feet; and oceangoing ships, which generally have a draft of 35 feet or more.

There are 25,543 miles of inland waterways, including 170 dams and 255 locks, carrying 4,400 towboats and tugs and 28,700 barges. The Great Lakes fleet numbers 150 bulk carriers and nine tankers. There are about 575 oceangoing ships including 214 flag vessels in the U.S. domestic ocean fleet; their average age is 21 years, double the age of the average international trade vessel.

The United States has 2,401 marine terminals, although only 170 are considered major commercial ports, and 50 get 87 percent of all commerce.

Rail. Amtrak passenger service carries 20 million passengers a year over 24,000 miles of track to 532 locations, using 350 locomotives and 2,000 railcars. Freight, 673 billion ton-miles in 1975, was hauled over 200,000 miles of tracks, using 27,700 locomotives—200 electric, 11 steam, the rest diesel—and 1.7 million railcars, including 354,000 for coal.

Urban transit. The industry, which has declined significantly since just after World War II, now carries more than six billion passengers a year in 52,000 buses, 11,300 railcars, and 4,340 commuter railcars.●

LESTER H. NULL

HON. DOUGLAS APPLIGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. APPLIGATE, Mr. Speaker, one of the leading labor leaders of our time, Lester H. Null, president of the International Brotherhood of Pottery and Allied

Workers (IBPAW) will soon be honored by the Consul General of the State of Israel to Ohio at a dinner to be held jointly by labor and industry leaders. I am particularly proud to announce this event because Mr. Null is a constituent of mine and one which the entire 18th Congressional District is very proud of.

The event, which is being held Saturday, December 15, 1979, in Pittsburgh, Pa., will be highlighted by the presentation of the Lion of Judah Award from Israel to Mr. Null in recognition of his notable achievements as a humanitarian and friend of Israel.

Lester Null's involvement with organized labor began when he became a member of Local Union No. 220, IBPAW. His first elected position was as recording secretary to local 220. He later became local president. During that time, he was employed by the American Radiator and Standard Sanitary Corp., New Orleans, La., as a ware hustler. He was appointed as IBPAW international representative in January 1959, and was elected third vice president in 1965. He was elected to his current post as president in 1969.

Mr. Speaker, we are, indeed, fortunate to have people in our community that share the concern for their fellow man to the degree that Lester Null does. His is a genuine concern and one that should serve as an example to all. I am proud to be able to call Lester Null a friend and congratulate him on this very important day of his life.●

THE METROPOLITAN BUSINESS AND PROFESSIONAL WOMEN'S CLUB OF SYRACUSE, N.Y., ANNUAL PRAYER BREAKFAST

HON. GARY A. LEE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. LEE, Mr. Speaker, for the past 8 years, the Metropolitan Business and Professional Women's Club, of Syracuse, N.Y., has sponsored an annual Community Prayer Breakfast—an event which has become a tradition, looked forward to for its spirit of faith, ecumenism, and thanksgiving.

A number of outstanding Americans have visited Syracuse on these occasions, to share with an eager audience a message of hope and understanding.

As the theme of the eighth annual Community Prayer Breakfast November 14, general chairman Margaret Marra and club president Nancy Ennis chose to salute the youth of central New York. The honored speaker was the Rev. Robert P. Hupp, director of Father Flanagan's Boys' Town in Nebraska, and originator of the idea to designate 1979 as the "International Year of the Child." All other parts of the inspirational program were inspired by, and conducted by, children.

It is a privilege for me to call this outstanding event to your attention, and to extend my congratulations to Miss Marra, Miss Ennis, and the members of the Metropolitan Business and Professional Women's Club of Syracuse, for

their continuing effort to develop a "thanksgiving for that which is good and a reaffirmation of faith in our Nation and in our God."●

STATEMENT ON TEAMSTERS' CENTRAL STATES PENSION FUND—  
(AND MORE TO FOLLOW)

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. PICKLE. Mr. Speaker, the time again has come for a hard and renewed look at the Government cleanup of the Teamsters' Central States Pension Fund. This huge pension fund, with about \$2.3 billion in assets, is the source of retirement security for more than 450,000 working Teamsters and their families. The record of the fund indicates that it has also been a major source of funding for individuals who have ties to criminal activities, or who are reported to be the criminals themselves. In recent years, some changes have been forced on the Central States Fund by the Federal Government. What we need to know now is how genuine, and comprehensive, those changes have been; how effective the Government has been in bringing them about; and, perhaps most importantly, how lasting they are likely to be.

The Employee Retirement Income Security Act of 1974 (ERISA) was enacted into law more than 5 years ago. When the Congress included fiduciary responsibility rules in this landmark legislation, we had in mind the history of abuses of those who have controlled and influenced the Teamsters' Central States Pension (and Health and Welfare) Fund. It is clear, therefore, that the effectiveness of the U.S. Department of Labor and the Internal Revenue Service in using this major reform law is both a direct concern of 450,000 Teamsters, and a major test of a law designed to protect the retirement income of 35 million Americans who participate in private-sector pension plans throughout the Nation.

On March 14 and 15, 1977, Secretary of Labor Ray Marshall and IRS Commissioner Jerome Kurtz appeared before the Oversight Subcommittee of the Committee on Ways and Means, of which I am the ranking majority member, and announced a set of out-of-court agreements between their agencies and the trustees of the Central States Pension Fund. Set forth in a press release, included below, the agencies concluded that "certain issues respecting asset management and benefit administration procedures \* \* \* have been resolved in a manner that meets the Government's objectives."

As part of these press-release agreements, the trustees of the Central States Fund had agreed: First, "to delegate to one or more independent investment managers \* \* \* the control of all investment assets of the fund"; second, "to cause an independent review to be

made of all loans and related financial transactions \* \* \*"; and third, that certain holdover trustees, including Teamster President Frank Fitzsimmons and Vice President Roy Williams, who had not already been forced to resign, would soon resign as fund trustees. In return for these and several other less fundamental actions, the IRS agreed to restore the tax-exempt status of the fund which it had revoked in June 1976, and the Labor Department agreed to terminate "that portion of its investigation that related to \* \* \* asset management."

Unfortunately, Mr. Speaker, the 1977 Government statement that the issues have been resolved in a manner that meets the Government's objectives now appears to be on shaky ground. Important Government objectives are not being met. For example, the independence of the new independent investment managers has been under constant attack; this attack is being carried out by the reform trustees—appointed by some of the ousted trustees. These reform trustees remind me of my earlier statement that only the names on the letterhead and not the underlying influences have been changed. Likewise, the above-mentioned "independent review \* \* \* of all loans" turned out to be an internal review by the fund of its own loans—with predictable results—for its first 18 months. Also, respected actuaries—who determine the crucial funding requirements and supportable benefit levels—have been effectively replaced by a longtime insider because their conclusions did not suit the trustees. Lawsuits to recover damages against the former trustees are hopelessly bogged down, or else woefully moving at a snails pace. The Central States Health and Welfare Plan remains firmly under the wing of another longtime insider and architect of the pension abuses about which I am so concerned.

Mr. Speaker, this is not the end of my list. It goes on and on. Over the next several weeks, in a series of statements, I intend to examine these recent and current developments one by one. The participants of the Central States Pension Fund and the American public deserve to know the status of this key Government reform effort.

As a backdrop, I ask that the 1977 press release be placed in the CONGRESSIONAL RECORD:

WASHINGTON, D.C.—The U.S. Department of Labor and the Internal Revenue Service announced today that certain issues respecting asset management and benefit administration procedures of the Central States, Southeast and Southwest Areas Pension Fund under the Employee Retirement Income Security Act of 1974 (ERISA) and the Internal Revenue Code have been resolved in a manner that meets the Government's objectives.

Specifically, the trustees of the fund have resolved to delegate to one or more independent investment managers (as defined in section 3(38) of ERISA) the control of all investment assets of the fund. The trustees will proceed expeditiously to commence discussions with independent banking firm and a bank of recognized national stature, for the purpose of securing their engagement as co-fiduciary ERISA investment managers. In addition to their respon-

sibility for complete control of the fund's portfolio, the co-fiduciary investment managers will provide to the trustees, at the earliest possible date, recommendations concerning short and long-term investment objectives for the fund.

The fund trustees have further resolved that if discussions with investment manager candidates have not reached agreement in principle as to the hiring of particular candidates satisfactory to the Labor Department and the trustees by April 10, 1977, an Interim Committee will be immediately established to assist the trustees in hiring independent investment managers and in developing the fund's investment objectives.

The Interim Committee will consist of two attorneys, one chosen by the fund and the other by the Department of Labor, and an investment specialist, a mortgage loan specialist and a Taft-Hartley plan expert, chosen jointly by the fund and the Department of Labor.

Further, the fund has agreed to cause an independent review to be made of all loans and related financial transactions entered into by the fund from February 1, 1965 to date with a view to determining what remedial action, if any, must be taken by the fund. The fund shall not be committed, however, to initiating such review until the outstanding issues regarding fund tax years beginning February 1, 1965 through December 31, 1975 are resolved.

The fund has also agreed to adopt all amendments necessary to conform to the Internal Revenue Code and to publish annually in at least one newspaper of general circulation in each state, a statement of the fund's financial condition. To the extent it has not already done so, the fund has agreed to implement fully and expeditiously the benefit history data base presently under development and to rectify any situation in which benefit administration was not in accordance with applicable law and the terms of the Pension Plan, as amended. Also the fund has agreed, to the extent it has not already done so, to establish an internal audit staff, reporting directly to the trustees, to monitor fund operations.

The IRS said that, based upon the foregoing agreements by the fund, the Service shall issue a determination letter requalifying the fund, effective for the plan years beginning on and after January 1, 1976, upon engagement of the professional investment managers or the establishment of the Interim Committee, and adoption of the plan amendments referred to above.

Those present trustees who were trustees prior to October 26, 1976 have advised that they will resign upon requalification by the IRS and engagement of professional investment managers or the establishment of the Interim Committee. The Government contemplates that this will occur not later than April 30, 1977.

The Department of Labor further announced that upon the engagement of professional investment managers or establishment of the Interim Committee, the Department will terminate that portion of its investigation that relates to procedure of the fund respecting asset management. The Department stands ready to offer any and all technical assistance that is authorized under ERISA and other applicable laws to assist the fund in accomplishing the objectives stated above.

Under the arrangements described above, fund matters pertaining to benefit administration, including questions of eligibility and claims review, will remain in the control of the trustees, as appointees of the collective bargaining parties who established the fund.●

REGULATORY KNEECAPPING BY  
THE FTC

## HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. ASHBROOK. Mr. Speaker, recently the House wisely voted to limit the runaway authority of the Federal Trade Commission. At the time of the debate a number of horror stories were aired concerning the FTC's role in crippling small businesses and in asserting its own version of brave new world via the Federal Register. I would like to call my colleagues' attention to yet another example of FTC abuse of power. Last week Joseph Sugarman came to Washington to receive this year's Direct Mail Marketing Man of the Year award. Mr. Sugarman also came to this city regarding a \$100,000 lawsuit filed against him by the FTC.

The FTC maintains that Sugarman's company, J.S. & A., violated regulations by not funding customers within 30 days of having their orders delayed. What the FTC does not state in its case is that J.S. & A. was one of the hundreds of companies buried under record snowfalls in Chicago this last winter and that Mr. Sugarman's computers broke down because of power outages caused by the snow. It is clearly one thing to find a businessman setting out to deceive or rip-off the public, it is quite another to penalize someone for having a record snowfall knock out his electrical power.

The story continues. Mr. Sugarman was able to clear up the backlog caused by the computer failure in 6 weeks. Some orders were 60 days late, but all orders were delivered. The FTC was not satisfied with J.S. & A.'s efforts to correct the problems brought on by mother nature. The agency wrote all State consumer agencies where J.S. & A. had clients to find everything possible to throw at Sugarman. After going over 8 years of records only 75 complaints could be found, and these were on record of having been resolved to the satisfaction of the client. The FTC pressed its case and demanded payment of the \$100,000.

Sugarman's lawyers recommended that he settle with the FTC and chalk the situation up to just one more case of Big Brother holding all the cards in a fixed card game. Instead he went public with his plight and decided to fight the regulatory Goliath. With his own funds he has run ads around the Nation describing his shabby treatment at the hands of the FTC. Thousands of letters have poured into J.S. & A. supporting Sugarman's fight and telling of other stories of the FTC's conceit for the private sector. Sugarman is about to release a booklet describing his case entitled, "Blow Your Kneecaps Off." He says this is what a bully might threaten when he asks a victim for money. "I am not against the FTC as an agency," says Sugarman, "but its powers are almost a dictatorship. I'm for taking away powers and going back to an FTC that encourages the free enterprise system and protects consumers."

Mr. Sugarman joins the growing ranks

of American citizens who are fed up with the abuse of power that occurs when bureaucracy gets too big and unbridled. Thankfully Congress is awakening to this growing outrage and has begun to act. However, while some steps have been taken in the 96th Congress there is still a long way to go before the bureaucratic bully's are banished from the private sector.●

NICARAGUA—PART IV: TIES TO  
CUBA

## HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. HAMILTON. Mr. Speaker, on August 12, less than a month after the cessation of hostilities, Directorate member and Minister of the Interior Tomas Borge held a press conference at which he discussed international support for the Nicaraguan revolution. Part of that day's text is important for what it reveals about the relationship between Nicaragua and Cuba. Mr. Borge said:

Our Central American brothers have helped us, and those who have helped most have been our Cuban brothers. They have given us enormous support in the social sector, all without much fuss. Our Cuban brothers are never ostentatious about their support. They are generous, and they do not flaunt their generosity (translation mine).

Scores of statements like this one, coming as they do from diverse spokesmen in the Government of National Reconstruction, were cause for deep and justifiable concern among members of the congressional mission to Nicaragua. Time and again in meeting after meeting we asked our Nicaraguan hosts to clarify and amplify such remarks. We carefully questioned our hosts about each aspect of Cuban involvement in the Nicaraguan revolution: moral and material support during the insurgency, ideological affinity, influence in the media, and participation in the literacy program and the health care delivery system were all treated fully and frankly. Moreover, we scrupulously gauged the reactions of our hosts each time the matter of Cuban involvement was broached. Given the facts we collected and the impressions we formed during the mission, my feeling is that Members of Congress can reach satisfactory conclusions about the meaning of the Cuban presence in Nicaragua. That presence is undeniably strong, but there are factors we must attend to if we are to place it in proper perspective.

The Sandinista movement has never attempted to conceal its relationship with Cuba. Along with Costa Rica, Venezuela, Panama, and other nations, Cuba gave the movement first moral encouragement and later material aid and counsel as the civil war entered its final stages. There is, of course, far more than this to Nicaraguan-Cuban ties. Some Sandinista leaders trained in Cuba, so they and others in the movement may feel drawn to the ideology that Cuba has always been quite willing to purvey. Such

connections must make us wary, and their potential consequences must be neither underestimated nor ignored. It is at our own peril that we take the Cuban presence in Nicaragua lightly.

Just the same, Cuban involvement in the Nicaraguan revolution does not imply that Cuban-style authoritarianism lies in Nicaragua's future. In the provision of moral encouragement and material aid and counsel to Nicaragua, Cuba was not alone before and it is not alone now. Nicaragua is actively seeking all kinds of help in every quarter where that help might be available, and it is getting a positive response from a broad group of countries and organizations. As concerns the training of Sandinista leaders, Ambassador Lawrence Pezzullo has trenchantly observed that one cannot go to Boston for lessons in the overthrow of tyrants. Although one can go to Havana for such lessons, the gratitude engendered by the opportunity should not be confused with a slavish commitment to political programs developed in another time and context. Mr. Pezzullo has made an equally telling point about ideological affinity: some of the fascination that Cuba holds for the Sandinistas may arise from respect for Cuba's independence of the American colossus, not necessarily from sympathy with Cuba's repressive form of government.

Members of the government of national reconstruction replied openly and vigorously to our general inquiry into the Cuban presence in Nicaragua. Junta member Sergio Ramirez argued that Nicaragua had no intention of becoming a new Cuba, and he added that there was some irritation in the nation at such a suggestion. Noting the segments of public opinion in the United States which already saw Nicaragua in the Soviet orbit, he stated that no one in Nicaragua had given the Soviet Union any thought. Of the admitted Marxists in the Government, he offered the view that they represented one tendency among many and were Nicaraguans first in any case. He said:

This revolution is based on the reality and history of Nicaragua, because we cannot base it on any other reality or history (translation mine).

Mr. Ramirez' remarks appeared the very next day on the front page of the independent newspaper La Prensa. Directorate members Bayardo Arce and Jaime Wheelock echoed these sentiments in our later conversation with them. Mr. Arce stated flatly that the Nicaraguan revolution would not be patterned after any other model. Mr. Wheelock seconded him, saying that Nicaragua saw no model for itself in the east, west, south, or north.

What should be the position of the United States in the face of Cuban involvement in the Nicaraguan revolution? We can determine that such involvement is too much for us to cope with, or else we can boldly take up the challenge it presents to us. The first course of action fortifies the Cubans without their lifting a finger, while the second serves them notice of our intention to overmatch them in the pursuit of our interests and the interests of

the Nicaraguan people. I interpret the Cuban presence as setting a dilemma: the choice is one between withdrawal and competition. I choose competition, and for that reason among others I am in favor of the President's plan of supplemental assistance to Nicaragua.●

#### TAX EQUITY FOR U.S. INVESTORS

### HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. FISHER. Mr. Speaker, yesterday I introduced revised legislation which is designed to tax the income realized by nonresident aliens and foreign corporations when they sell real estate located within the United States. This bill would allow the tax code to impose on foreign investors the same tax burdens which U.S. residents and domestic corporations already bear. Under current law, it is possible for nonresident aliens and foreign corporations to avoid, through a variety of devices, paying capital gains taxes on this income. U.S. residents and domestic corporations are not able to avail themselves of these tax advantages. Such discrimination against U.S. residents and corporations is simply wrong.

This new legislation, H.R. 6007, takes into account many of the comments and concerns which were expressed when this topic was discussed by the Ways and Means Committee in October of this year. I believe that the result is a bill which goes a long way toward resolving the administrative difficulties inherent in implementing this concept of tax equity. Furthermore, in addition to closing major loopholes in the current law, this bill is designed to close loopholes which are minor now, but which in several years may become the central problem.

H.R. 6007 seeks to impose upon nonresident aliens and foreign corporations a tax on the gain realized on the sale of real estate when the property is used primarily to produce income from farming, rentals and investment. The property interests which would be covered by this legislation are: First, an interest in real estate located within the United States; second, stock in a corporation which is a United States real property holding organization; or third, an interest in a partnership or trust which is a United States real property holding organization. Such an organization would have 50 percent or more of its assets in real property holdings and would have the controlling interest held by 10 or fewer persons.

This tax would be enforced by the purchaser of the real property who would withhold 28 percent from the acquisition price for tax collection purposes. This withholding requirement would not apply to transactions involving a single family residence acquired by an individual for his personal residence where the transaction involves less than \$150,000. It would also not apply if the individual or corporation disposing of the property supplies a certificate which states that

the transferor is a U.S. citizen or resident or a domestic corporation, or that the Secretary of the Treasury has reached an agreement with the transferor as to the payment of any tax on the gain.

I have also submitted, Mr. Speaker, a section-by-section analysis of this legislation in order to assist my colleagues in their consideration of it. I urge that they look closely at this bill and the need for changing the current tax law.

Now is not the time for tax relief for foreign investors.●

#### ITAIPU—THE LARGEST HYDROELECTRIC PLANT IN THE WORLD

### HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. RUDD. Mr. Speaker, on a recent private trip to Paraguay, I was privileged to visit Itaipu Binacional, the largest dam and hydroelectric power project in the world, located on the Parana River which serves as the boundary between Paraguay and Brazil.

The governments of these neighboring countries initiated the Itaipu project by treaty in 1966, and construction actually began in 1975. It is one of the largest engineering and construction ventures ever undertaken, with a total work force of 28,000 employees and 90,000 other associated people.

When completed, the Itaipu hydroelectric powerplant will supply electricity to all of Paraguay, a country of 2.8 million people, as well as to all the southern areas of Brazil. It will be a tremendous economic boon to the entire region.

Just to appreciate the magnitude of this project, the main Itaipu Dam itself will be 610 feet high, 4,640 feet long, with 18 intake gates. Side dikes on both banks of the Parana River will back the water up to an elevation of 726 feet above sea level. The reservoir will store 26.5 million acre-feet of water.

The powerhouse below the dam will be 3,110 feet long, with 18 generating units of 700,000 kilowatts each, for a total output of 12.6 million kilowatts of electricity.

This is almost 3 million kilowatts of electrical production more than our own Grand Coulee hydroelectric plant, which currently stands as the world's largest.

Mr. Speaker, the significance of this project, it seems to me, is the farsighted commitment of government and business in both Latin American countries involved to the development and construction of a tremendous hydroelectric facility to produce inexpensive, clean, and plentiful electrical energy for their respective populations.

This commitment was made 13 years ago. Hydroelectric power production, often referred to as "renewable technology," made possible by harnessing the power of a flowing river, is at its most basic level solar energy.

In my own State of Arizona, we already have eight hydroelectric generating stations, and plans for more.

A hydroelectric dam has been proposed at Bridge Canyon, on the Colorado River, at the southwestern edge of Grand Canyon National Park. Another has been considered at Marble Canyon, on the main stream of the Colorado River.

A hydroelectric site is currently being validated for the proposed Alchessay pump storage project, a 1,000-megawatt facility on the Salt River just below Roosevelt Dam.

None of these facilities come near to the magnitude of Itaipu Binacional. But their importance is similar, in that they will produce plentiful, inexpensive, clean hydroelectric power for the American people during peak periods, thus saving tens of thousands of barrels of fuel oil for other purposes.

The cost of building hydroelectric facilities has been shown to be competitive with anything else we can do to produce electricity.

At a time when the Federal Government is devoting considerable attention to developing "renewable energy technologies" for the future, I believe that Congress should do everything possible to encourage our utility companies to provide significant quantities of additional hydroelectric power, by streamlining licensing procedures and removing other barriers to hydroelectric energy production.●

#### AMERICAN UNITY IN THE IRANIAN CRISIS

### HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. COUGHLIN. Mr. Speaker, for nearly 5 weeks the American people have presented a strong united response to the Ayatollah Khomeini and the Iranian students holding 50 American hostages at the U.S. Embassy in Tehran. If the ayatollah and others in Iran have paid any attention at all to American media and public opinion, as we are told that they do with great interest, then there can be little question in their minds that the American people are solidly united in their outrage at the takeover of the Embassy and the continuing threats to the lives of the hostages. The issues are clear—the right of our Nation to maintain diplomatic missions under the protection of host governments as prescribed by international law; the right of our Nation to admit individuals we choose for whatever reasons we choose; and the right of our Nation to pursue peaceful diplomatic solutions to disagreements with other nations without resort to violence. The issue is not the nature of the Shah's regime and the American people understand this.

It is very disturbing that a Democratic Presidential candidate does not understand it also and has seized the moment to criticize the past and present foreign policy of the United States. While his statements are sure to give solace to the captors of the American hostages and assure him of page 1 press, he should

be aware that they in no way help to gain the hostages' release. Not only do his remarks serve to undermine the unity and resolve which have rightly marked our response to this crisis but they risk inviting the Iranians to continue their outrageous conduct in order to see what further gestures of sympathy they might elicit. There is perhaps much that can and should be said about Iran under the Shah, but now is clearly not the time. ●

#### COMMENTARIES ON THE IRAN CRISIS

### HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. McDONALD. Mr. Speaker, as the crisis between the United States and Iran drags on, certain bits and pieces of information are coming to the fore. Among these are the editorial from the Washington Post of December 4, 1979, entitled "The Senator and the Shah" and a news item from the Richmond Times-Dispatch of December 3, 1979, entitled "Pahlavi Traces Downfall to Halt of Mullahs' Aid." As a Democrat, I am taking no part in the Presidential primary races around the country, but I feel both items tell us something about the state of our Nation and the problems it faces.

The two aforementioned news items follow:

#### THE SENATOR AND THE SHAH

Senator Kennedy has an interesting sense of history—both the long sweep and the only yesterday kind. You don't have to have been a friend of the deposed shah of Iran or an apologist for the depredations of his secret police to know that Mr. Kennedy's characterization of the shah's regime as "one of the most violent . . . in the history of mankind" doesn't leave any language available at all for the truly special monster regimes of ancient and modern history, those that in fact would qualify as the most violent. If the shah had been the total beast Mr. Kennedy now depicts, right up there in the—let us say—Adolf Hitler and Joseph Stalin class, what on earth was President John F. Kennedy doing receiving him in Washington? What was Senator Edward Kennedy doing paying him a visit in 1975?

Yes, we know—Senator Kennedy has said he did criticize the shah while the shah was in office, and he did also take the occasion of his visit to Iran to question the wisdom of the Iranian arms buildup. But the man he described in his Sunday night attack on the shah was not someone you merely criticize, meanwhile paying a call on. Do you think while howdy-and-shaking, as in the accompanying photograph, Mr. Kennedy was saying: You, sir, run one of the most violent regimes in the history of mankind and (the rest of the allegation) are stealing umpteen billion dollars and care only for yourself. Doesn't look like it. If there was a time to say that, surely it was then and not now. The shah's cruel successor has sought to camouflage his own depredations by demanding that the shah be called to account—and Senator Kennedy asserts as simple truth the ayatollah's claims. Yesterday, as the predictable and justifiable uproar was heard, Mr.

Kennedy backed off some. Yet the damage in this tense situation was done. It wasn't right, it wasn't responsible, and it wasn't smart.

#### PAHLAVI TRACES DOWNFALL TO HALT OF MULLAHS' AID

BONN, WEST GERMANY.—The deposed shah of Iran, in an interview published yesterday, acknowledged to mistakes during his 37-year rule but said he does not believe he made as many as the late John F. Kennedy in just three years at the White House.

"I am just a human being and not without my faults," Mohammed Reza Pahlavi said in the mass circulation tabloid Bild Am Sonntag.

"But I believe John F. Kennedy made more mistakes in his three years as president than I did in 37 years."

Questioned about his mistakes, he pinpointed one decision that signaled the beginning of what he called his difficulties.

"My Prime Minister [Jamshid] Amouzegar decided to stop paying various grants to the mullahs, a measure that was necessary to maintain public morals," the shah recalled.

"I know now we never should have stopped paying that money."

The comparison with Kennedy was one of many outspoken remarks in the interview which Bild said was conducted in the New York hospital where the shah received cancer treatment.

He said his illness and stay in New York were only an excuse for the Moslem militants to seize the U.S. Embassy in Tehran.

"According to reliable information, it was not just the American Embassy that was to be seized, but the Soviet, the British and the French embassies as well," he said.

He warned of "inevitable downfall" for the West.

"I ask myself if the West understands where it is going. The world is heading for inevitable downfall."

He said statesmen such as Josef Stalin, Charles de Gaulle and Franklin Roosevelt "would turn in their graves if they saw those who came after them."

"The West's total readiness to give up gets worse each day. When it wakes up, it will be too late."

Asked how he viewed the Islamic government in Iran, the shah again condemned the West for failing to stop the summary trials and executions of those who supported him.

"An entire elite has been shot, without Amnesty International, League of Human Rights or the International Commission of Justice lifting a finger," he said.

"The public is shut out from everything that happens in Iran. There are no open trials because the accused could reveal that Savak [the shah's secret police] bribed mullahs and Shiites for a long time." ●

#### WRONG BILL AT THE WRONG TIME

### HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. DERWINSKI. Mr. Speaker, this bill is a gratuitous slap at the Civil Service Reform Act of 1978. It is the wrong bill at the wrong time.

The same forces which tried to gut the landmark reform package in committee now are trying an end run with a bill that actually makes a basic revision in

the 1978 Act. It imposes a 2-year authorization at fixed levels of spending for the Office of Personnel Management, the Merit Systems Protection Board, the Federal Labor Relations Authority, and Office of Special Counsel.

It is far too early to be attempting to pass judgment on civil service reform. The act has been in full force less than 1 year, and many parts of it will not be fully operational for another 2½ years. Implementation requires time, and the agencies involved must be allowed some flexibility.

By putting the civil service agencies on short rein, the temptation will exist to supplant executive management decisions with those of a handful of committee members who tried to undermine the 1978 legislation.

While legislative oversight is a proper and valuable tool of the legislative process, we must also be fair in allowing new agencies to perform as the Civil Service Reform Act intended them to perform. It is far too early for this type of tinkering.

Under the guidance of Alan K. "Scotty" Campbell, Director of the Office of Personnel Management, civil service reform is off to a solid start. Instead of throwing roadblocks up in his path we should be encouraging his deliberative efforts to make reform work and, in the process, make Government more responsive and responsible to the public. ●

#### THE TENSAS RIVER NATIONAL WILDLIFE REFUGE

### HON. JERRY HUCKABY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. HUCKABY. Mr. Speaker, I am today reintroducing the Tensas River National Wildlife Refuge legislation which will preserve approximately 50,000 acres along the Tensas River in Madison, Franklin, and Tensas Parishes of Northeast Louisiana. I felt it was necessary to make a few significant changes in the bill which will address specific concerns of mine and the people of the Fifth District of Louisiana.

The principal objective of this proposal is still to protect the remaining bottomland hardwood forests which constitute an unique ecological, commercial and recreational resource. This wildlife ecosystem provides a variety of beneficial opportunities: makes available a supply of timber for the manufacture of forest products; keeps intact a permanent habitat for a diversity of fish and wildlife; creates an atmosphere conducive to scientific and biological research; and, promotes such recreational activities as hunting, fishing, hiking, boating, and wildlife observation.

My purpose in revising the legislation, however, was to focus some attention on the need to solve our drainage problems in the Tensas Basin. I felt that this bill would be an appropriate vehicle to encourage the completion of certain flood

control projects in the area. The acquisition of certain portions of this land will then serve a twofold purpose—halt the rapid rate of forested wetland destruction which causes economic hardships for the surrounding rural communities, and preserve a great hardwood forest, federally managed as a refuge, for the public benefit.

I hope my colleagues see fit to support the legislation. ●

#### LET US MAINTAIN OUR NATIONAL UNITY

**HON. EDWARD J. DERWINSKI**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. DERWINSKI. Mr. Speaker, as the crisis in Iran continues, it is important for us to maintain our national unity rather than espousing political opinions or taking cheap shots at the President. This crisis is too grave and our options obviously too limited.

In an outstanding column appearing in the November 29 Star Herald Newspaper which serves southwest suburban Cook County, Ill., Dennis Wheeler, editor of that publication, gives his perspective on the broad implications involved in the Iranian situation. I insert Mr. Wheeler's column at this point in my remarks:

#### LET'S KEEP COOL ABOUT KHOMEINI

(By Dennis Wheeler)

The Ayatollah Khomeini has sounded the call: he wants 20 million Iranians ready to fight the devilish American if it comes to that.

The way the Ayatollah Khomeini talks these days, it sounds like he'd almost like it to come to that.

Meanwhile, as of this writing (Tuesday) our people are in the 24th day behind the gates of the embassy in Tehran, still hostages.

And there is no end to that scene in sight. Back here in America, we're putting the squeeze on.

The FBI is getting the goods on Iranian students suspected of being in the country illegally or without proper papers.

President Carter told Iran the United States doesn't want its oil anymore, which means we are being ripped off by one fewer Middle East nation now.

We have moved the Sixth fleet, along with a bunch of other military and naval hardware, into the part of the Indian sea that laps up onto Iran.

We have warned that if one hair on one head of one American captive in the embassy is harmed, we will do something about it. Wisely, we have not stipulated what "something" means. Instead, we have left a lot to the imagination.

Now the U.N. is finally getting into the act. After three weeks of silence, which we probably asked for while we worked to free the hostages our own way, the U.N. will hold a Security council meeting to decide what attitude to take toward Iran and the ayatollah.

Around the world, opinion seems to lean in our favor on the main issue, the capture and detention of the embassy people. Realizing its destructiveness to the ambassadorial system of civilized Earth, they agree with us

the hostages must be freed without any blackmail being paid.

But much world opinion, one suspects, is arrayed against America for allowing the detested Shah into our country for medical treatment. We should have known better, many around the world are saying or thinking.

An unvocal minority of Americans think the same.

All of this would never have happened—and the world would not be teetering on the edge of crisis—if we had told the Shah to get his cancer treated somewhere else.

On the other side, there is the very vocal, and increasingly so, majority of Americans who are infuriated by the gangster students who took over the embassy and captured our people and desecrated or burned our flag and led the hostages around in blindfolds and supervised around-the-clock chants calling for death to Carter and Satan America.

This majority tacitly supports the incidents of violence that have erupted here and there against Iranian students in America.

This majority definitely approves of solidarity representations in our nation, demonstrations like the daily flying of the American flag and the public burning of the Iranian banner.

Above all, this majority can hardly wait for the hostage crisis to end so the United States can hand the ayatollah his due. You can see this majority rubbing its collective hands, itching for the chance to repay Iran for the basic spit in the eye this small country has aimed at us.

It is very hard not to succumb to such feelings.

But it's my belief we've got to try. The most difficult aspect of the current crisis, I believe, is not what's happening now, but what may happen later.

And I fear for what may happen, whether the hostages are freed unharmed or not.

If they are hurt or killed, the public outrage will be such that anything short of the fire bombing of Tehran will probably be unacceptable to the public. Which means war would be a very possible outcome of the crisis.

If they are released unharmed, public outrage will still be such that some sort of physical strike inflicting some sort of actual damage will be considered by most justifiable if not necessary.

If the Carter administration demonstrates its current restraint, a restraint of which I as an American am incredibly proud, there will still be the overwhelming demand for hurtful sanctions, economic or worse.

All of these possibilities, I think, must be studied in light of perspective.

We must as a nation place this entire incident in clear perspective. And we must maintain that perspective no matter what comes on.

The situation is this. We are being made to bleed as a nation by a group of unruly, misled, and unpolitical students apparently genuflecting to the maniacal leadership of an unstable, cultist leader who is only one of several people who could eventually emerge as boss of a falling-to-pieces nation.

We are having our senses aroused to a dangerous murderousness not by a foreign nation but by a loose assembly of religious fanatics.

We are being irritated into a black fury by a force that has the potential power of a flea trying to kill an elephant.

I think our nation's leaders are doing the exact right thing as of today.

Carter is cooling it, saying little, issuing a stern warning on only one subject, the safety of the hostages. No other issue is important. Not the Shah, not the future, not

our military footing, not our national honor. Just the hostages.

Our government is not talking about reprisals someday down the road. Instead, it is keeping all options open. This ayatollah too will pass, seems to be the realistic attitude, and I am very glad it is. Because this cankerous creature does not deserve to be viewed as spokesman for anything, much less an entire nation historic for its religious and political divisions.

Cutting off oil imports was wise because it turns the economic screw while also showing we are prepared to sacrifice principle for petroleum.

And not cutting off food was also wise because it puts our nation where it ought to be, on the side of humanity in all circumstances.

I say let us retain our sense of perspective and call this thing what it is: a crisis, for sure, but a crisis of measurable dimensions and workable alternatives.

We should continue to take it one day at a time. We should maintain our stance of wise man amid a sea of craziness. We should not tip off our intentions but keep our eye on the key matter, the freeing of our citizens and the maintenance of international law. ●

#### THE PROGRESSIVE DECISION AND ENSUING EVENTS

**HON. PAUL N. McCLOSKEY, JR.**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. McCLOSKEY. Mr. Speaker, the recent Progressive case demonstrated an anomaly in the Atomic Energy Act of 1954.

Under the act, drawing upon public information, a private citizen can generate and publish his/her H-bomb design without penalty.

The individual can, however, be enjoined from such publication in advance.

This is just the reverse of the ordinary situation where a person can be assessed damages for slander but cannot be restrained in advance from committing the slander.

For the reasons set forth in the following letter to Assistant Secretary for Defense Programs of the Department of Energy, Duane Sewell, I have, therefore, introduced today a bill to amend section 227 of the act.

Chairman RICHARDSON PREYER of the House Subcommittee on Government Information and Individual Rights has planned hearings on this issue during the early part of February.

The letter follows:

MR. DUANE SEWELL,  
Assistant Secretary for Defense Programs,  
Department of Energy,  
Washington, D.C.

DEAR MR. SEWELL: Following our discussion of some weeks ago, your Assistant General Counsel, Peter Brush, was kind enough to send me the background documents on the "Born Secret" controversy. Thereafter Mr. Brush and William Grayson met with me on Wednesday, November 28, in response to my request for further advice on whether or not the Atomic Energy Act of 1954 requires amendment as a result of the Progressive decision and ensuing events.

I would like to summarize the present state of the law as I understand it:

(1) Restricted data is defined as any and all data about nuclear weaponry and concepts except data declassified by the government itself.

(2) A government employee or licensee can be held criminally responsible for knowingly communicating Restricted Data to unauthorized persons, knowing or having reason to believe that such data is Restricted Data.

(3) A private citizen can be enjoined by a court from communicating Restricted Data, but he cannot be punished for so doing, unless he thereby intends to injure the United States or aid a foreign power.

(4) The government has legally declassified a great deal of data about nuclear weaponry and concepts; additional classified data has reached the public domain, or has been inferred by inquiring members of the public from answers or non-answers to specific questions to government personnel.

(5) A number of private citizens, by careful study of the totality of information available, are now able to generate concepts, diagrams and information which the government would classify if it had the chance to do so prior to publication. The government claims that, under the law, these concepts, diagrams and information are "Born Secret."

(6) In the Progressive case, the trial court upheld the government's contention, finding that the article did include concepts not previously in the public domain. Relevant excerpts from the court's opinion are attached as Enclosure A.

(7) Thus, there is presently no effective law to prevent private citizens from publishing those concepts, diagrams and information which they may generate from their own studies and inquiries.

The law penalizes the private citizen only if in addition to knowing or having reason to believe the data is still restricted, he communicates or publishes the data "with some intent to injure the United States or with intent to serve an advantage to any foreign nation."

Under this test, presumably none of the private citizens (i.e. Hansen, Moreland, Postol et al) whom the government believes to have privately generated restricted data can be prosecuted, since they clearly had no intent to harm the United States or aid a foreign nation, and apparently believed they were publishing nothing that was not already declassified by the United States or easily ascertainable by a foreign nation.

Thus, while under the Progressive decision, publication of privately-generated data can be restrained in advance, the publisher himself cannot be prosecuted.

(8) This problem was recognized by the Department of Energy's predecessor, the Atomic Energy Commission (AEC) which, in 1967, proposed new regulations to permit civil injunctions against the communication of privately-generated restricted data. In its staff memorandum, the AEC pointed out that the proposed regulation did not include criminal penalties. A number of comments challenging the proposed regulation were received from scientific and legal authorities, including the New York City Bar Association, and the proposed regulations were dropped.

(9) The present law could be amended to place criminal sanctions on individuals who communicate or publish privately-generated restricted data merely by removing from Section 227 of the 1954 Act (42 USC § 2277) the limitation which applies the section only to government employees or licensees. This would put the scientific community on notice that if they had reason to believe their ideas might fall within the restricted range, they would be publishing or communicating under peril of criminal prosecution. Presumably most scientists would then tender their new concepts to the government for review.

(10) Senator John Glenn, after holding hearings on the problem by his Subcommittee on Energy, Nuclear Proliferation and Federal Services, has concluded that there is no reason to amend the present law.

(11) Congressman Richardson Preyer, Chairman of the House Subcommittee on Government Information and Individual Rights, has scheduled hearings on the issue during the week of February 11, 1980, and in order to provide a focus for those hearings, but without final endorsement, I have prepared a bill, a copy of which is enclosed as Enclosure B, which would amend Section 227 of the Atomic Energy Act of 1954 to apply penalties to private citizens who publish privately-generated restricted data knowingly or with reason to believe that it is restricted.

Hopefully at such hearings, the same range of testimony can be adduced from legal scholars and scientists as was adduced in 1967 and 1968 by the AEC's proposed regulations, and the Congress can then decide, with the Progressive decision in mind, whether or not the law should be revised.

In reading the case law on the subject, I find little to add to Justice Holmes famous language in *Schenk v. U.S.* 249 U.S. 47:

The most stringent protection of free speech would not protect a man in falsely shouting fire in a theatre and causing a panic . . . It does not even protect a man from an injunction against uttering words that may have all the effect of force. (citation) The question in every case is whether the words used are used in such circumstances and are of such a nature as to create a clear and present danger that they will bring about the substantive evils that Congress has a right to prevent. It is a question of proximity and degree.

Regardless of which decision the Congress should reach, I think we would be delinquent in our duties if we did not squarely address this issue and resolve it.

Thank you for your courtesies thus far extended. I will advise the other interested parties by copy of this letter.

Respectfully,

PAUL N. McCLOSKEY, JR.

ENCLOSURE A—Excerpts from the Federal district court's opinion in *U.S. v. The Progressive, Inc.*, March 28, 1979

On March 9, 1979, this Court, at the request of the government, but after hearing from both parties, issued a temporary restraining order enjoining defendants, their employees, and agents from publishing or otherwise communicating or disclosing in any manner any restricted data contained in the article: "The H-Bomb Secret: How We Got It, Why We're Telling It."

Under the facts here alleged, the question before this Court involves a clash between allegedly vital security interests of the United States and the competing constitution doctrine against prior restraint in publication.

From the founding days of this nation, the rights to freedom of speech and of the press have held an honored place in our constitutional scheme. The establishment and nurturing of these rights is one of the true achievements of our form of government.

Because of the importance of these rights, any prior restraint on publication comes into court under a heavy presumption against its constitutionality validity. *New York Times v. United States*, 403 U.S. 713 (1971).

However, First Amendment rights are not absolute. They are not boundless.

Justice Frankfurter dissenting in *Bridges v. California*, 314 U.S. 252, 282 (1941), stated it in this fashion: "Free speech is not so absolute or irrational a conception as to imply paralysis of the means for effective protection of all the freedoms secured by the Bill of Rights."

In *Near v. Minnesota*, 283 U.S. 697 (1931), the Supreme Court specifically recognized an extremely narrow area, involving national

security, in which interference with First Amendment rights might be tolerated and a prior restraint on publication might be appropriate. The court stated:

When a nation is at war many things that might be said in time of peace are such a hindrance to its effort that their utterance will not be endured so long as men fight and that no Court could regard them as protected by any constitutional right. No one would question but that a government might prevent actual obstruction to its recruiting service or the publication of the sailing dates of transports or the number and location of troops. Id. at 761. (citation omitted).

. . . it is clear that few things, save grave national security concerns, are sufficient to override First Amendment interests. A court is well admonished to approach any requested prior restraint with a great deal of skepticism.

. . . the Court finds concepts within the article that it does not find in the public realm—concepts that are vital to the operation of the bomb.

The Court is of the opinion that the government has shown that the defendants had reason to believe that the data in the article, if published, would injure the United States or give an advantage to a foreign nation.

Furthermore, extensive reading and studying of the documents on file lead to the conclusion that not all the data is available in the public realm in the same fashion, if it is available at all.

What is involved here is information dealing with the most destructive weapon in the history of mankind, information of sufficient destructive potential to nullify the right to free speech and to endanger the right to life itself.

Stripped of its essence then, the question before the Court is a basic confrontation between the First Amendment right to freedom of the press and national security.

While it may be true in the long-run, as Patrick Henry instructs us, that one would prefer death to life without liberty, nonetheless, in the short-run, one cannot enjoy freedom of speech, freedom to worship or freedom of the press unless one first enjoys the freedom to live.

Faced with a stark choice between upholding the right to continued life and the right to freedom of the press, most jurists would have no difficulty in opting for the chance to continue to breathe and function as they work to achieve perfect freedom of expression.

In the *Near* case, the Supreme Court recognized that publication of troop movements in time of war would threaten national security and could therefore be restrained. Times have changed significantly since 1931 when *Near* was decided. Now war by foot soldiers has been replaced in large part by war by machines and bombs. No longer need there be any advance warning or any preparation time before a nuclear war could be commenced.

In light of these factors, this Court concludes that publication of the technical information on the hydrogen bomb contained in the article is analogous to publication of troop movements or locations in time of war and falls within the extremely narrow exception to the rule against prior restraint. ●

#### THE STEALING OF U.S. TECHNOLOGY

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. ASHBROOK. Mr. Speaker, when the House considered the export admin-

istration reauthorization bill a number of charges surfaced concerning diversion of American technology by the Soviets. Since these allegations first surfaced very little has been done by the Commerce Department or the Carter administration to address them. Considering the ominous implications of having the Soviet war machine fueled by U.S. goods and services I would think it would be a high priority for Mr. Carter to have a full airing of the facts in this matter. Instead we have heard the usual line of rhetoric about how the Soviets mean us no harm and that East-West trade is good for business.

Recently this hesitancy on the part of Mr. Carter to concern himself with Soviet use and misuse of American exports has been undermined by more disclosures. Before the Senate Armed Services Committee Dr. Verona, of the defense intelligence agency (DIA), provided new evidence that Soviets have been doing everything possible to turn East-West trade into a launching pad for overwhelming military superiority over the United States. Dr. Verona covered a wide range of Soviet military developments that have been aided by U.S. technology:

The Soviets have used American-built precision grinding machines for the development of new, accurate, guidance systems for its SS-18 missile.

Trucks produced at the Kama River Truck Plant, which was constructed by the United States and filled with advanced production technology, are being used by the military while the plant's excess engines are destined for other military vehicles.

Illegally diverted IBM 360 and 370 computers may have been the cornerstone for a computer system that directs Warsaw Pact air defense.

A student-exchange program permitted the Soviets to send one young engineer to the United States to study "fuel-air explosives," a particularly large-blast weapon system. That man, Verona testified, is now involved in the Soviet fuel-air explosive program.

This pattern of abuse calls into the severe question the intentions of the U.S.S.R. As the Senate begins its consideration of the SALT II treaty, it must begin to ask why the Soviets persist in turning every element of East-West cooperation into military exploitation. I have watched one administration after another overlook this obvious point in the quest for coexistence with the Kremlin. Now that America has witnessed its own capability to meet any world situation called into question it is time to ask the tough questions about future Soviet intentions and how technology transfer impacts on this issue. SALT II is an excellent place to begin to draw the line until some more answers are forthcoming.

A recent article in Newsweek magazine further underscores the increased boldness on the part of the Soviets in exploiting America's good faith and increased trade. The military leaders of the Kremlin seem to no longer be content with waiting for U.S. technology to be de-

livered and diverted. According to the Newsweek article there have been some outright thefts of American material. The matters raised by the article provide another set of questions to go along with Dr. Verona's findings. I recommend it to my colleagues as they pursue their own research on these matters.

The article follows:

#### SPYING ON U.S. BUSINESS

As in most real-life espionage stories, the details are hazy even now. But sometime in the early 1970s, U.S. intelligence officials say, a train carrying an IBM 370 computer sold to Poland by a European firm mysteriously broke down along the border between Poland and the Soviet Union. When the train began rolling again, the computer was no longer aboard.

In March 1973, officials say, Soviet authorities contacted a European computer firm to buy spare parts for an IBM 370. The parts were available, they were told, but the firm needed to know the serial number of the computer. Sure enough, the serial number turned out to be that of the missing IBM 370—then among the most sophisticated computers in the world.

The computer's apparent diversion into Russian hands is an extreme case—but in many less dramatic ways, U.S. officials believe, the Soviet Union is stepping up its attempts to steal U.S. military and technological secrets by penetrating American industry. "We can lock up everything in the Pentagon," says FBI chief William Webster, "but the same information may be in a safe in a company building" where it is "much more vulnerable."

Safeguarding those secrets is a gargantuan task: some 11,000 firms have access to classified defense information, and about 120,000 of their employees have top-secret clearances. Both the FBI and the Central Intelligence Agency intensified security checks of industrial firms—but CIA director Stansfield Turner termed the CIA's findings "discouraging." Soviet snoops are assumed to monitor communications at major defense plants, and last February six Boeing Co. employees lost their security clearances because they carelessly sent information about the MX missile over an ordinary phone line.

#### BRIBES

The Soviet-bloc countries employ a wide range of techniques to crib American technological innovations. FBI agents in Chicago, for example, are investigating a case in which the Polish Government apparently set up a dummy corporation to acquire industrial data that had been embargoed for export to Communist countries. And a Reston, Va., computer firm told the FBI in September that one of its executives had been offered a \$500,000 bribe by a Soviet agent for a copy of an unclassified bit of software used to program the computers of a number of major corporations, including Gulf Oil and Citibank. Companies in financial trouble are special targets for foreign agents, who offer much-needed contracts, then demand help in circumventing U.S. export regulations. "The implications of the strings attached may not be obvious at first," an FBI official says. "Nevertheless, the businessman is slowly drawn into a foreign intelligence network."

Knowledgeable spies can reap a rich harvest of advanced technical data without resorting to skullduggery. The Soviets, for example, subscribe to a biweekly report on current scientific research published by the government-run National Technical Information Service. It collates only unclassified research, but some of the papers provide valuable technical clues—"a running ac-

count of the level of U.S. technology on a very, very timely basis," says one U.S. expert. The Soviet Union has a standing request to receive microfilm copies of all documents relating to such fields as "missile technology" and "optics and lasers." Inevitably, a document or two turns out to have been improperly declassified.

Similarly, participants in scientific meetings that routinely include Soviet experts often seem "lax . . . about the protection of militarily significant technologies," complains J. Fred Bucy, president of Texas Instruments. And Webster is concerned by the influx of visiting scientists and businessmen from the Communist block. One Hungarian physicist was allowed to study magnetic-bubble memories for computers—until a defector revealed the Hungarian had a deadline for delivering a prototype to Moscow.

Controlling the spread of sophisticated American technology becomes more difficult when scientific breakthroughs enter commercial production, as they have in computers, microelectronics, fiber optics and lasers. Federal export regulations restrict the sale of products that could be of military value to the Soviet bloc—but the rules can be difficult to apply, forcing case-by-case evaluations. "We will license [the export of] computers of a certain size," says a U.S. Commerce Department official. "But we will absolutely not license . . . the technology to produce them." Some American firms dodge the regulations in order to make a sale. Last month, two former executives of I.I. Industries pleaded guilty to the illegal sale of semiconductor-manufacturing equipment worth \$300,000 to East Germany. Similar sales by other firms could total as much as \$35 million.

Equipment: The Soviet espionage campaign now aims to copy both the product and the manufacturing process. The CIA has found, for example, that the microcircuitry inside a Soviet electronic calculator duplicated that of an American-made model—a relatively simple bit of "reverse engineering." But U.S. experts were disturbed that the Soviets had also obtained advanced American-made equipment to manufacture the microcircuits, probably through a legal sale to Yugoslavia.

Stemming the steady leakage of American technology poses a series of policy dilemmas for U.S. officials. It is one thing to crack down on espionage or illegal sales. But many American advances are there for the asking. Sophisticated technology is America's most competitive export on the world market, and the free exchange of technical information is highly valued by scientists. The Soviet bloc's access to scientific research can be eliminated only by suppressing scientific debate and business enterprise—and so far no one seems willing to go that far. ●

#### SMALL BUSINESS EXPORT EXPANSION ACT

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. MOAKLEY. Mr. Speaker, at a time when chronic international trade deficits are draining our domestic economy, we must begin to search for aggressive alternatives to compete in the world marketplace. To reverse our balance-of-payments deficit, which was \$28.5 billion in 1978, American business must take advantage of increased export opportunities.

Presently, only 25,000 manufacturing firms export regularly, and 85 percent of our total exports can be attributed to 250 firms. We are only scratching the surface of our true export capability for the Department of Commerce estimates there are an additional 20,000 U.S. companies which could join the ranks of exporters.

Small- and medium-sized companies can make significant contributions in the international marketplace, but most lack the resources, time, and know-how necessary to explore trade opportunities.

To assist them in overcoming these difficulties, I am today introducing legislation, which is jointly sponsored in the Senate by GAYLORD NELSON, chairman of the Select Committee on Small Business, designed to work with small businesses in realizing their trade potential.

This bill mandates a grant system for State or local jurisdictions to establish an individualized export-assistance program for small businesses. Grants would not exceed \$150,000 annually, and the grant program would terminate after 3 years.

This program will provide, free of charge, assistance in the following areas:

First, analyzing markets to determine the nature of a company's export potential.

Second, training and advising on matters concerning export pricing, shipping, documentation, financing and business customs.

Third, identifying and contacting potential foreign customers and distributors for a company's products.

Fourth, managing and sponsoring foreign-trade missions for participating firms to meet with prescreened buyers, distributors, sales representatives and organizations interested in licensing or joint ventures.

This provision of the bill will give small businesses the direct assistance they need to export successfully. It is modeled after the highly successful international trade program run by the Massachusetts Port Authority and the Smaller Business Association of New England. In 2 years, four trade missions involving 25 manufacturers located throughout New England have gone to Western Europe and created an additional \$1.6 million in sales as a direct result.

Title II of the bill would help make the Federal Government more responsive to the problems of small business engaged in international trade. It would organize in the Commerce Department regional offices, one-stop information centers providing companies with all necessary information on Government export programs. These centers would be staffed by a full-time representative of the Commerce Department, the Small Business Administration, the Internal Revenue Service, the Export-Import Bank, and the Overseas Private Investment Corporation. This title would not create any new job positions, but it would mean improved staffing in Commerce's regional offices. In doing this, it will minimize the bureaucratic run-

around that the businessman receives when he approaches his Government with questions about export programs.

Title III of the bill amends the Small Business Act by explicitly authorizing the SBA to make loan guarantees to small business exporters under its normal business-loan program and by authorizing the guaranteeing of bridge-financing loans for small businesses with verified contracts for the sale of products overseas. All too frequently, a small businessman needs a working capital loan to help him complete the terms of a contract. Banks are reluctant to make such loans because of the risk involved and because they are short-term loans with low profitability. This title of the bill helps resolve this financing problem by having the SBA guarantee such loans to small business exporters and thus spreading the risk.

Finally, title IV of the bill provides equity financing to new-to-export firms by authorizing the SBA to guarantee a percentage of a loan made by a small business investment company.

This legislation can assist the small businessman to move into the world-trade market. By doing so, we can boost both business growth and employment opportunities while working to reduce our foreign-trade deficits.●

#### RESOLUTIONS ADOPTED BY THE REPUBLICAN GOVERNORS ASSOCIATION

### HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. RHODES. Mr. Speaker, on November 20, 1979, the Republican Governors Association met in Austin, Tex., and unanimously adopted five resolutions. I was pleased to see their unity and think that their positions deserve public attention and consideration.

The resolutions follow:

RESOLUTION OF THE REPUBLICAN GOVERNORS ASSOCIATION TO PRESERVE EQUITABLE, DEPENDABLE AND UNIFORM TRANSPORTATION SERVICE FOR AMERICA'S CONSUMERS AND BUSINESSES

(By Governor James A. Rhodes of Ohio)

Whereas, the American economy has benefited from an efficient and safe trucking system, and

Whereas, members of the Republican Governors Association seek to preserve nondiscriminatory rates for all manufacturers and consumers and stable and reliable service to all sections of the nation, including small towns and rural communities, and

Whereas, wholesale disruption of the trucking industry's present regulatory system will bring more unsafe and unregulated vehicles to our streets, expressways, and roads and undermine the nation's economy;

Now, therefore, we, the undersigned Republican governors do hereby urge the United States Congress to evaluate carefully any proposed trucking industry legislation to insure that such legislation seeks to responsibly improve the present regulatory system for the American trucking industry.

Unanimously adopted November 20, 1979 at the Annual Winter Conference in Austin, Texas.

#### RESOLUTION OF THE REPUBLICAN GOVERNORS ASSOCIATION REGARDING REVENUE SHARING

(By Governor Lamar Alexander of Tennessee)

The Republican Governors have no higher federal grant-in-aid priority than the reauthorization of the General Revenue Sharing Program. No other federal program better recognizes the effectiveness of decentralized program development, has lower overhead costs, or provides some degree of compensation for the unfunded mandates that the federal government imposes on states and localities. The Revenue Sharing Program should serve as a model for future federal-state-local initiatives.

The Republican Governors join with the NGA and other national groups that speak for state and local governments and call for the renewal of General Revenue Sharing according to the following principles:

Preservation of the flexibility of recipients to determine the purposes for which funds shall be spent, reflecting the wide diversity among states and localities;

Allocation of funds to state and local general purpose governments using the existing formula, which measures need using population, per capita income, and tax effort;

Continuation of provisions in the existing law that assure financial accountability, citizen participation, and protection of the civil rights of the nation's citizens;

Authorization of the program on an entitlement basis for four years to guarantee continuity and dependability of funding; and

Commitment of at least the present spending level for the program.

The Republican Governors pledge themselves to work with local governments and interested groups and individuals within their states for reauthorization of the General Revenue Sharing Program consistent with these five principles.

The Republican Governors urge all candidates for the 1980 presidential nomination to endorse re-enactment of the program according to these principles.

Unanimously adopted November 20, 1979 at the Annual Winter Conference in Austin, Texas.

#### RESOLUTION OF THE REPUBLICAN GOVERNORS ASSOCIATION REGARDING MAXIMIZING DOMESTIC ENERGY PRODUCTION

(By Governor William P. Clements, Jr. of Texas)

Whereas, the national administration and the Congress have failed to respond to the nation's energy crisis with strong programs to boost domestic energy production and to curb bureaucratic regulatory barriers to that production; and,

Whereas, the people of America suffer from crippling inflation and unemployment and a weakened national defense because of our overdependence on imported oil, and there is an urgent need to move forward on a truly comprehensive energy program for the sake of our people; and,

Whereas, the administration has focused almost entirely on energy conservation, which we support, but which is only part of the total answer to the problem; and,

Whereas, our overdependence on oil imports is needless, in view of the fact our nation has potential oil reserves of 143 billion barrels compared to our annual consumption of 6.6 billion barrels, natural gas reserves of 961 trillion cubic feet compared to annual consumption of 20 trillion cubic feet, and coal reserves equal to seven times the total energy reserves of all the Middle Eastern nations; and,

Whereas, the federal government is not only ignoring the energy production expertise of the private sector, but also actually inhibiting production through an unreasonable, contradictory, and confusing morass of federal regulations,

Therefore, the Republican Governors Association in assembly in Austin, Texas, recognizing the need to halt the slide in America's standard of living caused by oil imports, believes that it is imperative that the United States reduce oil imports by adopting a policy that calls for: Immediate and maximum production of oil and gas as a vital short-term effort to minimize oil imports, and that this effort should be stimulated by decontrolling prices with a requirement that resulting above-normal revenues be plowed back into domestic energy production of all forms.

RESOLUTION OF THE REPUBLICAN GOVERNORS ASSOCIATION REGARDING CAMBODIA  
(By Governor Robert D. Ray of Iowa)

Whereas, as many as two million Cambodians may have perished over the past four years due to the policies of the former Communist government; and

Whereas, another two million face possible starvation from the famine that may result from the fighting between Vietnamese and Cambodian forces; and

Whereas, hundreds of thousands of refugees inside Thailand and along the Thai-Cambodian border are in need of food and medicine; and

Whereas, the authorities in Phnom Penh have refused to open a land route into Cambodia from Thailand over which needed assistance could reach these innocent people who are suffering;

Now, therefore, We the Republican Governors assembled do hereby

Express support for the efforts of our government to provide food, medicine and other assistance to the Cambodian people;

Urge the authorities in Phnom Penh to open a land route from Thailand into Cambodia to allow supplies to move expeditiously to those people most in need;

Commend the government of Thailand for its willingness to admit refugees into its country; and

Encourage the American people to have compassion for the plight of these unfortunate refugees and to give generously to appeals by religious and private organizations in the United States on behalf of them.

Unanimously adopted November 20, 1979 at the Annual Winter Conference in Austin, Texas.

RESOLUTION OF THE REPUBLICAN GOVERNORS ASSOCIATION  
(By Governor Otis R. Bowen, M.D.)

Whereas, the Republican Governors Association is completing one of the most successful conferences in its history, and

Whereas, the people of the Great State of Texas and the City of Austin have been gracious hosts for the conference; and

Whereas, each of the Republican governors is grateful for the thoughtfulness of arrangements made by our host state and its governor.

Now, therefore, be it resolved by the Republican Governors Association that the sincere appreciation of its members be expressed to Governor William P. Clements Jr. and his wife, Rita; to members of the host committee, and to all Texans involved in staging the conference.

Be it further resolved that copies of this resolution be made available to those involved in the conference.

Unanimously adopted November 20, 1979 at the Annual Winter Conference in Austin, Texas. ●

OIL MINING MAY INCREASE U.S. SUPPLY

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. YOUNG of Florida. Mr. Speaker, yesterday I addressed the major issues involved in adopting and carrying out a realistic national energy policy. The central theme of my remarks was that America must produce more energy within the boundaries of our own country—that we must develop safe and secure energy supplies free from political or economic pressures of any foreign country.

One method of achieving this goal, I suggested, was to place more emphasis on exploration for new oil in this country and exploitation of known but untapped supplies of oil that is either too deep, too dispersed in rock, or too thick to be removed by conventional pumping procedures. After presenting those remarks, I read a very interesting article published Monday in the Washington Post which illustrates the vast potential of such supplies.

The article reported that the Interior Department's Bureau of Mines has concluded that various methods of "mining oil" could increase America's economically exploitable oil reserves tenfold, adding hundreds of billions of barrels to the Nation's usable oil reserves.

"A couple of million barrels a day of production from oil mining is possible, by 1990, no doubt about it," the article quotes one expert as saying. And Sheldon Wimpfen, the Bureau's chief mining engineer, states:

From a mining standpoint, all of this is proven technology in use worldwide.

That is the kind of thinking and attitude that we need to attack the Nation's energy problem. We need more "can do" people—more people who say: "Let's get on with the job." The people who are continually offering excuses and saying that we cannot do the job should get out of their way. The Washington Post article follows:

OIL MINING MAY INCREASE U.S. SUPPLY DRAMATICALLY  
(By J. P. Smith)

Back in the 1920s, a Union Oil geologist told his company he was onto a major oil discovery in central California. Impressed, Union drilled a string of wells and hit—black goo.

The geologist was fired.

Today that black goo is known as heavy crude and—thanks to some new developments in extraction technology—several oil companies are betting a lot of money that they can get it out of the ground and sell it at a tidy profit.

Getty Oil, for one, is opening a \$21 million operation outside Bakersfield, Calif., not far from the Union find, to tap a reservoir Getty believes contains 400 million barrels of crude. Other companies are contemplating similar efforts in New Mexico, Utah and other oil-producing states.

In fact, Shell Oil's \$3.6 billion purchase of California's Belridge Oil Co. earlier this year may have been predicated on Shell's

ability to squeeze a lot more out of Belridge's holdings than could be obtained through conventional drilling.

The key to all this is oil mining, a term that encompasses several processes. In one, the oil-bearing rock is simply mined out of the ground and the crude "cooked" out of it. In others, huge pits are dug down to the oil formation and chemicals applied to loosen the oil. In still others, shafts are drilled underneath the reservoir and holes cut upward so the oil drips out, like sap from a maple tree.

These processes are attractive because they are applicable not only to heavy crude, but also to tar sands, a hydrocarbon-bearing soil called diatomite, and perhaps most importantly, to oil fields of lighter crude where conventional wells have run dry.

Studies for the Interior Department's Bureau of Mines conclude that oil mining could increase America's economically exploitable oil reserves tenfold, adding hundreds of billions of barrels to the nation's current 30 billion barrels of proven reserves.

John Hutchins of Energy Development Consultants, who worked on one of the studies, says: "It's quicker and probably a lot cheaper than oil shale and coal liquefaction. The only thing left is just going out and trying it." And that is what Getty and the others are doing.

The idea of mining for oil is not new. A 1932 Bureau of Mines study by George S. Rice concluded, "Where conditions are favorable, mining methods in depleted oilfields may bring large financial returns and recover oil that might otherwise be lost."

But until recently an important factor has been lacking: price.

In the development of any mineral resource, the first question that must be answered is whether the deposit is "economic"—that is, can the mineral be mined and processed and sold for a profit at the prevailing price?

Oil is no different, and when crude was selling for \$2 to \$3 a barrel, only the cheapest extraction process could be employed profitably.

Now all that has changed.

Bureau of Mines consultants say that surface-mined oil can be produced at a cost ranging from \$12 to \$21 a barrel, and that the cost for oil from underground mining operations ranges from as little as \$10 a barrel to \$60 a barrel.

World oil prices have risen more than 70 percent this year. The Organization of Petroleum Exporting Countries is charging "official" prices averaging \$22 a barrel, and also sells much of its oil on a one-time, or spot, basis at prices of up to \$40 a barrel.

Richard Dick of the Bureau of Mines' Twin Cities Research Center in Minneapolis says: "A couple of million barrels a day of production from oil mining is possible, by 1990, no doubt about it."

Dick oversaw the studies prepared by Golder Associates and Energy Development Consultants and released to the public earlier this year.

"Under today's economics, many of the oil deposits in this country can be mined economically," he adds.

Sheldon Wimpfen, the bureau's chief mining engineer, also is optimistic.

"From a mining standpoint, all of this is proven technology in use worldwide," Wimpfen says.

Wimpfen became interested in oil mining years ago when he noticed that mining engineers continued to make advances in ore recovery processes, but that oilmen still left 40 percent to 60 percent of the oil they discovered in the ground, even with so-called "enhanced oil recovery" operations.

"We have some mineral operations that typically recover up to 90 percent of the ore,

but the oil boys have settled for a lot less," Wimpfen continues.

In the last century, more than 450 billion barrels of oil have been discovered in the United States. But just 115 billion barrels have been produced. Current conventional production technology will allow the oil companies to produce about another 30 billion barrels, leaving some 305 billion barrels out of reach.

Another 26 billion barrels of oil are locked in Utah's tar sands, and billions more elsewhere. Then there are an estimated 30 billion barrels of "heavy" viscous oil in California, and billions more in shallow diatomite formations.

The one million to two million barrels a day of new production from oil mining that supporters say is possible, is equivalent to President Carter's most optimistic forecast of production from synthetic fuels by 1990.

Not everyone familiar with the oil mining concept is quick to embrace it, however, or agrees with the Bureau of Mines studies.

Lee Marchant of the Energy Department's Laramie Energy Research Center is one of the skeptics. He says the optimistic conclusions of the Golder Associates and Energy Development Consultants studies "have to be considered speculative." Further, Marchant says, the firms have a "vested interest" in generating more studies through their encouraging reports.

Until an oil or mining company actually mines oil on a commercial scale, Marchant says, it will be too soon to accept unequivocally the bureau's economic analysis.

As for the priority the Department of Energy assigns to oil mining, Marchant says: "We don't see spending a large portion of our money on this technology. . . . We feel mining is only applicable to a small percentage of our total resource."

Conoco, a major oil company that has tried underground oil mining methods on a limited basis on its Lakota field near Casper, Wyo., is skeptical.

"If reservoir conditions are favorable, we might try this again," says Aurelio Madrazo, Conoco's head of North American production.

Conoco has been operating a 50-barrel-a-day underground mining plant for the last three years, draining oil into a 2,000-foot-long horizontal shaft, 180 feet underground, beneath a shallow oil field.

"It's not something we see as solving the energy crisis," Madrazo says. "It is still a very small contribution."

Getty Oil Co., however, is moving ahead with its \$21 million pilot plant at its McKittrick field outside Bakersfield.

Construction will begin early next year, Getty spokesman George Schwarz says, and the company expects to be producing 20,000 barrels a day by the late 1980s.

The McKittrick operation, if it works, is an illustration of oil mining's potential. Discovered in 1896, the McKittrick field produced 15,900 barrels a day at its peak. But by June of this year, production had dropped to 6,000 barrels a day.

Schwarz says Getty is confident that the company will be able to extract nearly 400 million barrels before the field is mined out—largely through digging and processing hydrocarbon-rich diatomite overlying the field. The 400 million barrels Getty hopes to get amount to nearly twice the total production from the field during the 80 years it has been worked.

Most of the oil-soaked diatomite laced through and around the McKittrick field easily can be surface-mined. A few miles away, another company has a surface mining operation to extract diatomite that is free of oil, for use as cat litter.

Getty's pilot plant will produce 150 barrels of oil daily, from 240 tons of surface-mined ore processed at one of two facilities.

The purpose of the test is to determine which of the two methods of separating the

oil from the ore is the most profitable. One method will employ a variation of a process devised by the Germans to convert coal to oil. The other will use a solvent from Dravo, a company that is experienced in extracting vegetable oil from soybeans.

"With conventional methods you can't get the oil out, but mining should work," Schwarz says.

Similar plans are under way in Utah to mine and process billions of barrels of oil locked in tar sands deposits.

Dr. Francis Hansen, of the University of Utah, says that maybe 25 percent of the state's tar sands can be surface-mined. While no major oil company has announced plans to go ahead, several are exploring it, Hansen says.

Hansen and other researchers believe it is feasible to construct units that could produce from 50,000 to 150,000 barrels a day by mining the tar sands. They believe the process could yield quality oil that could be sold profitably at \$25 a barrel.

"I'm bullish on oil mining," Hansen says, adding, "It is only a year or two away."

The nation's largest gasoline retailer, Shell Oil Co., according to oil industry executives, also has plans for mining-style operations to recover billion of barrels of oil in the 33,000 acres of Kern County, Calif. fields it bought from Belridge Oil Co.

"There is a widespread belief that Shell has the capability to squeeze oil out of those formations," says Bruce Wilson, an energy analyst with the brokerage firm of Smith Barney Harris Upham Co. Inc.

"If you have a process with a higher recovery rate, then you have a larger exploitable resource base," Wilson points out.

This could explain why Shell's purchase of Belridge—the largest merger in U.S. history—called for paying almost \$9 a barrel for the little-known California producer's known reserves, compared with the \$6 a barrel that industry analysts normally figure in transactions of this type.

Yet another oil mining project is taking shape near Santa Rosa, N.M. There, James Young, president of American Mining and Exploration Co., has obtained the rights to 11,000 acres of tar sands deposits.

Young says his plan to establish a \$25 million oil mining operation at the site is "strictly a private venture, not requiring state or federal money."

Young anticipates the tar sands should yield some 250 million barrels of oil that will be mined and processed with solvents. He expects a recovery factor of "about 95 percent."

He is confident that his oil mining project will prove competitive with oil selling for \$18 a barrel, once his plant is in operation.

"It sounds simple, and it is," Young insists. "We're combining oil technology with mining technology. When you stand in the quarry and a face of rock 30 feet high, with oil bleeding out in the summer sun, you can't deny that there is oil in that rock." ●

#### TAXES AND THE INDEPENDENT CONTRACTOR

### HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. PHILIP M. CRANE. Mr. Speaker, in the October 30, 1979, CONGRESSIONAL RECORD, page 30256, I called attention to the fact that the Select Revenues Subcommittee of the Ways and Means Committee, as a result of a 5-to-4

vote rejecting the Duncan amendment to give statutory recognition to blue collar independent contractors, had failed to acknowledge established judicial doctrines. In today's remarks, I will comment on the provision in H.R. 5460 to impose a 10-percent withholding requirement on independent contractors. Unfortunately, the subcommittee refused on a 5-to-4 vote to remove this onerous provision from H.R. 5460.

H.R. 5460 already contains a "no inference" section which applies to the one safe harbor in that bill. The safe harbor in H.R. 5460 sets certain criteria to determine conclusively, without litigation, that a worker is an independent contractor. The "no inference" section allows the worker to prove he is in fact an independent contractor even if he does not fill the sketchy requirements of the H.R. 5460 safe harbor. In other words, there is no inference, if one does not meet the criteria for the white collar safe harbor, that he is an employee. A "no inference" section applying to the 10-percent withholding tax has been excluded from H.R. 5460. Thus, an inference could be drawn that a worker is an employee, not a contractor, simply because he has taxes withheld from his payments.

In my October 30 remarks, I made reference to a 1977 case decided in the 9th Circuit Court of Appeals which found owners of dump trucks to be independent contractors. That decision states:

Moreover, the contractors do not make any of the normal deductions from the pay of the owner-operators, contrary to the practice commonly employed with respect to true employees.

Thus, withholding is an element used to determine a person's work status.

We can see quite clearly the danger to independent contractors if they are required to submit to withholding absent a provision assuring that withholding does not deprive them of contractor status. Without such a provision, some lawyers undoubtedly would cite H.R. 5460 (if enacted) as containing a withholding deduction which is a "practice commonly employed with respect to true employers." This, coupled with the fact that H.R. 5460 does not give statutory recognition (safe harbor) to blue collar independent contractors, could have a disastrous effect on labor relations and our economy. This might suggest why the IRS is pursuing a tax policy that may be more costly than productive in terms of revenue.

The very able and distinguished gentleman from Pennsylvania, RICHARD T. SCHULZE, was able to foresee the potential problems in this area and offered an amendment to provide that there was no inference in applying the withholding tax that the payor was an employer or the payee was an employee.

Unfortunately, this also was defeated 4 to 5, but Mr. SCHULZE persisted and was promised report language to clarify the situation. The question then arises, if it is good enough for report language, why not put the provision in the statute?

Mr. Speaker, if these self-employed workers were held to be employees, it would in effect abolish much of the en-

entrepreneurial system in our Nation. An entrepreneur is defined as: "One who organizes, manages, and assumes the risks of a business or enterprise." To go a step further, risk involves "volenti non fit injuria" which means "that to which a person assents is not regarded in law as an injury."

Thus, a payor withholding taxes from an independent contractor not only eliminates that person as an entrepreneur, but also assumes the risk on behalf of another contrary to common law. Once a person assents to become an independent contractor (entrepreneur) he must assume the risks involved with his own tax compliance. The person paying the contractor should not be responsible for paying the contractor's taxes for him.

Mr. Speaker, the GAO report concerning the tax compliance of independent contractors stated in frank and direct terms:

IRS has not taken the action needed to get a good understanding of how many non-filers exist, who they are, why they fail to file, and what action will prompt their compliance.

Assistant Secretary of the Treasury, Donald Lubick, testified that a 10-percent withholding tax on independent contractors would result in an additional \$600 million in revenues. But let us examine the negative economic impacts of his proposal.

Assistant Secretary Lubick also stated that 20 to 25 percent of the total income from all independent contractors was unreported. Since this 25 percent is around \$2 billion, according to Mr. Lubick, we can assume the total income for all independent contractors is around \$8 billion.

The tax proposed in H.R. 5460 would result in payors withholding 10 percent of the contractors' operating income, or \$800 million, ultimately driving many out of business unless prices are increased by possibly \$800 million. Once again, tax policy would be driving inflation up.

Apparently the revenue estimates generated by IRS justify withholding were based on a 10-percent tax across the board. But, in light of the many exemptions in H.R. 5460, the anticipated \$600 million in revenues to be produced by withholding must be suspect. I am left wondering why the tax is even proposed at all, unless the IRS strategy is to make all entrepreneurs employees and then work to eliminate the exemption.

Mr. Speaker, I have emphasized that the withholding tax could destroy a basic institution of our society. In addition, I am convinced that payors do not want to serve as tax collectors. The new payroll and personnel expenses associated with the administration of a withholding tax would be enormous for the payor, further increasing the costs of his goods and services.

Mr. Speaker, instead of discouraging small, independent contractors, we should do everything in our power to encourage growth in their numbers. Many present-day businessmen were independent contractors before they established their own major business enterprises. Moreover, many independent contractors

are members of minority groups that are being encouraged to start their own businesses by other governmental agencies. If the Government is sincerely interested in bringing a maximum number of small, independent, minority business enterprises into full bloom, it would not be moving toward withholding.

Before Congress adopts a requirement that could force some small businessmen to close shop, it would seem prudent to require a very detailed and reliable review of the problem. That is why, in H.R. 5266, I have proposed a 4-year study to determine if withholding is necessary in the first place. I hope my colleagues on the full committee will support the efforts of the distinguished, fearless foursome on the subcommittee; HOLLAND, DUNCAN, SCHULZE, and VANDER JAGT. Also, I invite all my colleagues to cosponsor H.R. 5266. ●

#### CALIFORNIA FIRE CHIEFS ASSOCIATION SUPPORT THE CIGARETTE SAFETY ACT

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. MOAKLEY. Mr. Speaker, recently, at their 1979 Conference, the California Fire Chiefs Association expressed their support for H.R. 5504, the Cigarette Safety Act.

This expression of support parallels the support of the Federated Fire Fighters of California and the California Furniture Manufacturers Association in calling for legislation which would require cigarettes to self-extinguish within 5 minutes when not being smoked.

I would like to share their letters of support with my colleagues:

CALIFORNIA FIRE CHIEFS ASSOCIATION,  
Sacramento, Calif., November 26, 1979.

Congressman JOHN J. MOAKLEY,  
House Office Building,  
Washington, D.C.

DEAR CONGRESSMAN MOAKLEY: On behalf of the California Fire Chiefs Association, I am pleased to express to you our full support of HR 5504 the Cigarette Safety Act.

The enclosed copy of Resolution 10 was unanimously passed by the voting membership of the California Fire Chiefs Association at their 1979 conference which was held in Fresno, California, May 13th through 17th. We also are on record as strong supporters of Assembly Joint Resolution 28 which was authored by Assemblywoman Egeland and signed by Governor Brown on September 12, 1979.

We commend you for your participation in this urgently-needed resolution by your authorship of HR 5504 and wish to extend to you our sincerest offer of whatever help we may provide for its successful passage.

Sincerely,

ANCIL HOFFMAN,  
Executive Director.

RESOLUTION NUMBER 10

CALIFORNIA FIRE CHIEFS' ASSOCIATION

23rd Annual Conference

May 13-17, 1979

Fresno, California

Self-extinguishing cigarettes

Whereas, approximately half of all residential fire deaths in the United States are

caused by carelessly discarded cigarettes; and

Whereas, most of these fire deaths can be prevented if cigarettes were to self-extinguish rapidly; now, therefore, be it

Resolved, That the California Fire Chiefs' Association at its Annual Conference in the City of Fresno, May 13 through 17, 1979, support and endorse efforts to require that all American produced cigarettes self-extinguish rapidly.

PHIL FAVRO,  
State Fire Marshal.  
ALLAN R. STONE,  
President, California  
Fire Chiefs' Association.

FEDERATED FIRE FIGHTERS

OF CALIFORNIA,

Sacramento, Calif., November 19, 1979.

HON. JOHN JOSEPH MOAKLEY,  
House of Representatives,  
Washington, D.C.

DEAR CONGRESSMAN MOAKLEY: Thank you for the information regarding your HR 5504 "The Cigarette Safety Act."

Andrew McGuire has contacted us requesting support and we have sent a letter to all California representatives urging them to support and co-sponsor HR 5504. We have also notified all our affiliates asking them to contact their representatives personally. Our publication, the California Fire Fighter, will also carry an appeal to all firefighters in California.

Please be assured that the Federated Fire Fighters will do everything possible to assist you and Mr. McGuire.

Sincerely,

DANIEL A. TERRY.

CALIFORNIA FURNITURE  
MANUFACTURERS ASSOCIATION,

Los Angeles, Calif., November 13, 1979.

HON. JOSEPH MOAKLEY,  
House Office Building,  
Washington, D.C.

DEAR MR. MOAKLEY: Our trade press has reported your introduction of a bill in the House of Representatives which would direct the Consumer Products Safety Commission to develop standards requiring cigarettes to extinguish themselves within five minutes.

We congratulate you upon this long-overdue action which, if successful, will accomplish immeasurably more than any conceivable standards to reduce ignition originating in upholstered furniture.

As you may know, the California State Legislature approved a resolution which we sponsored urging Congress to adopt legislation similar if not identical to the bill which you have introduced. A transcript of that resolution is enclosed.

Our sincere thanks for your leadership in this area. If there is any way in which we may be of assistance to you, please let us know.

Cordially,

LEE HAHN. ●

#### SALT—THE SOVIET PERSPECTIVE

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. McDONALD. Mr. Speaker, in part II of his article on SALT, Dr. Glagolev points out that Soviets carefully evaluated how they should negotiate with the United States in view of our failure of will in Vietnam and other indications that we were now willing to accept being the No. 2 military power in the world. The Soviets further took into ac-

count our failure to react in my positive manner to events in Angola and Ethiopia. Therefore, part II of this article should be particularly illuminating for those persons still undecided on the advisability of approving SALT II. For those interested in reading the previous item, it appeared on page 32802 in November 15, 1979, CONGRESSIONAL RECORD.

Part II follows:

#### PART II

During the period of the SALT negotiations, the U.S.S.R. built somewhat sophisticated anti-aircraft and anti-ballistic missile systems which are at present superior to the comparable American systems. Although technically these systems are defensive, they can be used to limit a retaliatory strike, their main purpose in Soviet strategy.

Anti-aircraft and ABM systems are complementary. The ABM system can also be used against aviation, and some Soviet long-range anti-aircraft missiles can be used against ICBMs and SLBMs.<sup>1</sup> The Soviet anti-aircraft system, which includes missiles and interceptors, could strike down a large number of the American strategic bombers carrying cruise missiles and short-range ballistic missiles.

The Soviet Union has overwhelming superiority in this field, with about 2,700 strategic interceptors as compared to about 330 in the U.S.<sup>2</sup> Interceptors, deployed in forward airfields, can shoot down strategic bombers of the enemy even before these bombers enter the air space of the country they intend to attack—and before the bombers launch their missiles and gravity bombs. Interceptors can double their usual range, if they are used in one-way missions, which is quite possible in a nuclear war and especially if dealing with a militarily inferior opponent. The Soviet interceptors are, as a rule, supersonic whereas the main American strategic bombers are subsonic. The Soviet fighters have air-to-air missiles. The new MIG-29 fighters are, according to some sources, equipped with a look-down, shoot-down system, which makes them effective cruise-missile killers. The American fighters deployed in the U.S. cannot accompany the American bombers into Soviet air space because of the shorter range of the fighters.

The Soviet Union also acquired an overwhelming superiority in strategic anti-aircraft missiles with about 12,000 such missiles, while the U.S. has none!<sup>3</sup> The Soviet missiles SA-5 have a slant range of over 200 kilometers. The U.S.S.R. has mobile surface-to-surface missiles as well, which are less vulnerable than stationary ones. In addition, there are about 9,000 anti-aircraft guns in the Soviet arsenal, whereas only 600 such guns exist in the U.S. army. True, the U.S. also has tactical missile-gun systems in the army and some anti-aircraft guns and missiles in the navy and marines.<sup>4</sup> However, these weapons have limited ranges and cannot be used against strategic bombers flying outside the range of the systems and using medium range air-to-surface missiles for an attack against the United States.

In general, hundreds of Soviet strategic bombers would probably be able to use their missiles and gravity bombs in a first nuclear strike against the U.S. while the Soviet anti-aircraft system would be able to prevent the small number of surviving U.S. bombers from hitting the majority of their targets.

The Soviet Union acquired an important

qualitative superiority in the defense against ballistic missiles when the U.S. government unilaterally deactivated and dismantled its brand-new ABM system in the mid seventies—after the treaty on the limitation of these systems was signed. The U.S.S.R., on the contrary, developed its ABM system, which defends the most important Moscow region from a possible American retaliatory strike and which has a capability of intercepting some, if not the majority of the U.S. retaliatory missiles. A considerable part of Moscow's population would probably be underground in the subway system and other shelters prepared for such an occasion and another part would be evacuated. (The author of this study participated in the training courses for such an evacuation of Moscow.)

An anti-aircraft and ABM system comparable to the Soviet one could protect at least the major population centers in the United States saving millions of lives in case of a massive Soviet nuclear strike. The Kremlin's possession of an effective nationwide civil defense system and the virtual non-existence of a comparable system in the United States gives the Soviets an enormous strategic advantage—an advantage that they will know how to exploit in future confrontations.

During the period of the SALT negotiations, the Soviet Union developed, produced, and successfully tested killer satellites. The author of this study participated in the official discussion of this problem in the U.S.S.R.

The United States unilaterally refrained from the production of such satellites during the same period, although it had the necessary scientific and technological potential. At present, there is reason to believe that the U.S.S.R. has the capability to put out of action a number of the American satellites, which play so important a role in the control of strategic weapons.

The Soviet ability to interfere with the U.S. strategic system of control is based not only on the availability of killer satellites but even more on the Soviet superiority in the aggregate destructive power of its strategic arms. Many warheads of Soviet missiles are aimed at American radar and command centers, including Washington, D.C., the main center of the entire system of defense.

There is a plan to evacuate the President and the chief military commanders from Washington by helicopters and planes in the event of a nuclear attack. However, this plan is not realistic. Washington could be destroyed in less than 10 minutes by one ballistic missile launched from a Soviet submarine close to the shore of Maryland. It may not be possible to detect the incoming warheads in time for evacuation of the Presidential office.

Underground command centers in the U.S. would be vulnerable since their location is either already known or can be discovered by the Soviets. It is very difficult to conceal such large installations. Many radars, radio stations and other means of communication and many navigational instruments in the remaining silos and bombers would be damaged, if not destroyed. Huge explosions would create strong psychological impacts on personnel and such turbulence and other strong changes in the atmosphere over the whole country that radio transmissions and the course of flight of the U.S. missiles would be interfered with. The whole system of telegraph and telephone communication would be seriously damaged.

In other words, the systems of command, control, and navigation in the United States would probably be damaged to such an extent that a centrally organized retaliatory strike could hardly be effected, even if it were ordered.

Realistically thinking, only commanders of a few ICBM silos and captains of the

remaining ballistic missile submarines and strategic bombers patrolling far enough from the U.S. and close enough to the U.S.S.R. would be able to retaliate, if they were not prevented from doing so by electronic locks in their weapons.

The Soviet leaders calculate on the lack of will and weakness of the U.S. leadership demonstrated in the surrender of South Vietnam and in its failure to take counter-measures of any kind to prevent or respond to communist seizures in Angola, Ethiopia, Afghanistan and other countries. Obviously, they would prefer to achieve their goal of compelling the capitulation of the Free World, without going to war—and there is a serious possibility that they may be able to do so. But their military theory does not exclude the possibility of nuclear war—and if it should come to this, it is possible that they would keep the U.S. Administration and some of its means of communication intact during the first strike, in order to let the American Government give the order to surrender and to let it prevent the local military commanders from retaliatory strikes.

It is imperative for America to create alternative secret command centers outside the United States and to develop a new, less vulnerable system of communication and control. In an emergency, the President and his chief advisers should be prepared to immediately go to deep underground shelters. Such an arrangement would enhance deterrence by letting the Soviets know that they cannot hope to knock out America's national command center in a single blow.

The new Soviet-American SALT agreement consists of three main parts: the basic treaty, that would remain in force through December 31, 1985; the protocol, which would remain in force through December 31, 1981; and the joint statement of principles. The treaty stipulates that each country would be allowed to have a total of 2,400 land-based intercontinental ballistic missile launchers, submarine ballistic missile launchers and heavy bombers six months after entering into the treaty. This aggregate is to be reduced to 2,250 by the end of 1981. The treaty would also provide:

An equal aggregate limit of 1,320 on the total number of ICBMs and SLBM with multiple warheads, known as MIRVs and heavy bombers equipped with cruise missiles;

A limit of 1,200 on the total number of ICBMs and SLBMs with MIRVs (of that number no more than 820 weapons systems may be ICBMs with MIRVs);

A limit of ten on the number of multiple warheads on a land-based missile and of 14 on the warheads on a submarine-launched missile;

A limit of 28 on the number of cruise missiles carried by a heavy bomber;

A ban on construction of new missile silos on land (spare missiles may not be stored near ICBM sites);

A limit of one on the development of new "light" land-based missiles.

The protocol would allow development and flight-testing of air-launched, ground-launched and sea-launched cruise missiles to unlimited range, but would ban for its duration the deployment of ground and sea-launched cruise missiles capable of a range in excess of 360 miles. The protocol would ban flight testing and deployment, but not development, of missiles for mobile ICBM launchers.

The Carter Administration has decided that it will deploy no MX missiles at least until 1986 and no long-range cruise missiles and Trident submarines at least until August 1981. The Soviet Union, conversely, will, during this period, be allowed to produce powerful ballistic missiles, including SS-18s and medium-range cruise missiles.

<sup>1</sup> The Military Balance 1976-1977, p. 8.

<sup>2</sup> Ibid. 1978-1979, pp. 5, 9.

<sup>3</sup> DOD Annual Report, FY 1980, p. 71.

<sup>4</sup> The Military Balance 1978-1979, pp. 6, 9.

Even if the U.S.S.R. really reduced its number of ICBMs, SLBMs and long-range bombers to 2,250, retiring its obsolescent weapons, it could easily compensate for this reduction with the production of the Backfire bombers and medium-range ballistic missiles—especially SS-20s, which could be converted into intercontinental missiles simply by reducing their payload. Neither of these weapons are covered by the SALT II treaty.

The Soviet Union has already more than 150 Backfire bombers and it will be allowed to build about 20 more in the next six and a half years (while the U.S. will gradually reduce its strategic aviation).

Senator Henry Jackson has pointed out that the new SALT agreement contains provisions that could not be verified, including the agreed-to limits on the respective range of the Backfire bomber and of cruise missiles. "The loss of our facilities in Iran has done irreparable harm for years to come to our capacity to monitor Soviet strategic weapons development," Jackson said.<sup>5</sup>

In general, the new agreement allows the Soviet Union not only to retain but even to increase substantially its superiority over the U.S. This would be connected, in the first place, with the inevitable retirement of the old American B-52s and Polaris-Poseidon submarines (without a corresponding replacement) and with the simultaneous deployment of modern, more effective Soviet strategic systems.

The agreed figures are only a ceiling—an upper limit with no obligation to maintain any definite number of strategic weapons. The American government in the past has reacted to such limitations by effecting unilateral reductions in its arsenal of strategic arms. Thus, under the 1972 ABM treaty, there was no obligation to abolish America's initial ABM system which had been constructed at great cost—but a decision was nevertheless made to dismantle it. The 1972 treaty allowed the U.S.S.R. to have only one ABM site (around Moscow). It is equipped with Galosh missiles. However, the U.S.S.R. built and deployed in other regions SA-5 missiles which also have anti-missile capability.<sup>6</sup>

The Vladivostok accord, which established a limit of 2,400 strategic missiles and long-range bombers for each side, was an agreement of preliminary nature. It was not a treaty obligation for the signatories. Nevertheless, the U.S. government immediately proceeded to reduce its strategic forces to a level which was lower than the agreed ceiling. The Soviet leadership, in complete contrast, increased its strategic arms to a level which was higher than the ceiling agreed upon in Vladivostok.

Such is the very great difference between the impact of treaties and negotiations on the Soviet government, on one hand, and on the U.S. Administration on the other hand. The U.S. government appears to react to its official and unofficial agreements on arms control by immediately embarking on unilateral reductions of its strategic forces, as though such reductions were imperative as tokens of good faith. Even though the new SALT treaty has not yet been ratified, the Administration has already committed itself to delays and reductions in the Trident program. It has also decided to reduce the number of both long-range bombers and strategic missiles to a level much lower than is stipulated by the terms of the new treaty.

The bulk of the American strategic missiles are already MIRVed while many of the Soviet missiles are not. Under the terms of the

treaty, the U.S.S.R. would be permitted to replace obsolescent, single warhead missiles with new, more accurate, MIRVed ones. Indeed, an estimated 7,000 Soviet ICBM warheads alone could be deployed by 1985. In brief, within the provisions of SALT II, the U.S.S.R. would be able to deploy ICBM systems with a 7:1 throw weight advantage, with three times as many ICBM warheads, with each Soviet warhead having an average of three times more yield than U.S. ICBM warheads.

The new treaty does not cover several important aspects of strategic defense: the yield of the strategic weapons, the total number of strategic warheads, the range of submarine-launched ballistic missiles, the total numbers of cruise missiles and medium-range ballistic missiles and strategic bombers, the number of strategic anti-aircraft missiles, strategic interceptors and anti-satellite systems and the effectiveness of civil defense. In all these fields, the Soviet Union has a considerable, often an overwhelmingly superiority. If we add these advantages to the advantages of Soviet capacity for nuclear blackmail, its ability for a powerful first strike and its residual ability, in the event of a second American strike, to mount a devastating third strike, it becomes apparent that the Soviet and American statements maintaining that the new treaty is based on or creates an equality of strategic forces have nothing to do with reality. On the American side, statements supporting government policy try to conceal the broad and massive superiority conceded to the Soviets in order to make the new SALT treaty more palatable to the general public and the Congress.

The new SALT treaty would create a political climate of "new detente," permitting and even encouraging the Administration to take further steps along the dangerous path of unilateral reductions in strategic weapons and surrendering of friendly countries to communist and Marxist dictators.

Soviet propaganda systematically seeks to conceal the enormous Soviet armament buildup—at the same time it accuses the United States of pursuing an aggressive and militaristic policy, and in this way provide itself with a pretext for further increases in the production of arms in the U.S.S.R.

During my discussions of SALT problems with staff members of the Central Committee of the CPSU, the Ministry of Foreign Affairs and the General Staff of the Soviet armed forces, I was told many times that the Soviet military strategy is based on the possibility of winning a nuclear war against the United States. The SALT II agreement would allow the Soviet Union to increase its nuclear superiority over the U.S. to such an extent that this possibility would become a probability.

The Soviet leadership has never paid any serious attention to its treaties with Western states and even with its own allies. It broke not only the Helsinki agreement and the 1973 agreement on peace in Vietnam, but even the Warsaw Pact itself. Instead of defending Hungary and Czechoslovakia—the members of the Warsaw Pact—it openly invaded these countries, which have no nuclear defense. Only a credible strategic deterrent can prevent a Soviet attack against the United States.

For the restoration of the strategic balance of power lost by the United States in connection with the first SALT agreements it would be necessary:

- To reject the SALT II agreement;
- To replace the B-52s with new long-range B-1 bombers;
- To build medium-range bombers at the same rate as the U.S.S.R.;
- To produce cruise missiles and nuclear bombs at the same rate as the U.S.S.R.;

To replace the old ICBMs with modern, less vulnerable missiles at the same rate as the U.S.S.R.;

To deploy the Trident submarines at the same rate as the U.S.S.R. is deploying comparable submarines;

To build an ABM system in the Washington-New York area;

To produce 12,000 strategic anti-aircraft missiles, some of them with anti-missile capability;

To build about 2,300 additional interceptors;

To deploy an anti-satellite system;

To organize an effective civil defense system.

Perhaps some of this is beyond the scope of reality in a democratic country where consumer demands have priority over defense. But, at the very least, the U.S. government should immediately put an end to its unilateral reduction of offensive and defensive strategic arms and fully restore the MX, Trident and B-1 programs.

Even though it is a totalitarian country, the Soviet Union cannot add to its armaments indefinitely. It is already close to the ceiling in military expenditures possible in peace time. The United States, with its enormous economic potential on the other hand, has sufficient reserve productive capacity to be able to eliminate the existing gap between the Soviet and American strategic capabilities. This is the way to make peace more secure.●

#### THE SAD TRUTH ABOUT WILDERNESS ENACTMENTS

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 4, 1979

● Mr. SYMMS. Mr. Speaker, the sad truth about wilderness enactments by this body is that they are inexpensive environmental votes for 434 Congressmen. My colleagues will be faced in the upcoming years with many wilderness decisions and they will, for the most part, be individual lockups that affect only one congressional district, or in some cases, one State. It seems ironic that in many instances the congressional delegation, the State legislature, and the preponderance of residents who will be most severely impacted by the wilderness enactment are opposed to that enactment.

Such will be the case when this body considers S. 2009, Senator CHURCH's central Idaho wilderness bill. It is the largest land lockup in the history of the Lower 48 States, and it is opposed by three-fourths of the Idaho congressional delegation, the Idaho legislature, and some 68 percent of the people. They do not object to the continued preservation of what is now the Idaho Primitive Area, and they do not object to extended preservation of some of the peripheral areas. Rather, the opposition stems from those who sought a compromise approach, who saw three bills representing many Idaho interests, and who watched the Senate pass legislation resembling the bill with the greatest land area.

Today, I submit the following letter from the lands committee of the Asso-

<sup>5</sup> The Washington Post, March 9, 1978. The U.S. facilities were used to monitor Soviet missile tests.

<sup>6</sup> The Military Balance 1976-1977, p. 8.

ciation of Idaho Citizens, Inc., whose words epitomize the feelings of the many Idahoans who feel that S. 2009 goes too far, to the unnecessary detriment of Idaho jobs and the State's economy.

I commend this letter to my colleagues. I will follow it up with detail about specific areas as consideration of the bill accelerates. The letter reads as follows:

ASSOCIATION OF IDAHO CITIZENS, INC.,  
November 15, 1979.

To the United States Senators and Congressmen:

We respectfully ask you to vote NO for Senate Bill 95. If we need wilderness legislation at this time, we support the Symms House Bill for the following reasons:

1. Senate Bill 95, with no limit on total acreage, could ultimately saddle Idaho with 10 or more million acres of sterile wilderness, being half the USFS lands. The Symms Bill limits wilderness in Idaho to 3.5 million total and frees the 10 million acres of multiple use Rare II, lands for recreation timber, mineral, and hunting uses as it was previously utilized.

2. Just what do we now have for wilderness? This effectively 3.4 million acres or 5,313 square miles. This area can be visualized as a rectangle 53 miles wide by 100 miles long. In actuality the designated wilderness areas stretch over a length of nearly 200 miles north to south and a width varying between 20 to 50 miles east to west.

It's not how much more wilderness but how much less is needed? U.S. Forest Service surveys reveal that only 4 percent of the recreationists using the national forests enter wilderness areas. Then, the conclusion is entirely reasonable that single-use wilderness lands of Idaho should not exceed a total of 1,000,000 acres, and not anywhere near the 3,400,000 acres now designated.

3. Using Idaho Fish and Game statistics we find less than 25 percent of the Elk harvest of central Idaho in the past several years came from the designated or planned wilderness areas. More than 75 percent of the Elk kills were in the so-called roadless, Rare II lands open to hunters by car and truck.

4. Wilderness advocates have been claiming Rare II lands as wilderness that they wish to lock up, but actually these lands have been multiple use for scores of years.

Opened with mining and logging roads these lands have been mined, logged, and enjoyed by recreationists and hunters. Now they want to lock them up. We ask these lands be returned to Idaho as open, multiple-use lands and let the USFS get on with managing them as such.

5. We know now from central Idaho's Middle Fork conflagrations that it is impossible to protect wilderness lands from fires. Without a heavy rainfall they never would have controlled those fires. Bulldozers and chain saws were needed, also, even though illegal in such areas. These man-caused fires burned nearly 300,000 acres and destroyed millions of dollars of timber. The Forest Service admits the costs to fight exceeded 10 million dollars but the really big loss is the timber and wildlife range.

6. The wilderness groups have blocked timber sales in the Rare II lands with appeals and legal delays and have caused two sawmills to fold. In the immediate future two more large mills will close. The timber industry of Idaho is forced to move to the southern states and buy private timber to stay in business.

7. This "no resource industry" goal of these outside Idaho wilderness groups causes a loss to the country and state of Idaho in the way of stumpage, mineral tax, and payroll tax losses as well as community loss, school enrollment drop and general unemployment.

8. The Senate Bill 95 wilderness area of central Idaho will eliminate potential mineral deposits that we need today to help the balance of payments problem, inflation and national defense needs. The U.S. News and World Report for Nov. 12 shows we are now dependent on imports for 99 percent of our cobalt and other important steel alloy metals; chrome, manganese, nickel, and tungsten. Equally critical is our imports of bauxite for aluminum, asbestos, platinum, tin, zinc, gold, and silver. Apparently we have an adequate industry in copper and lead only and these producers are on their knees from EPA and state environmental harassment.

9. Specifically West Panther Creek area contains the west extension of the Nation's single important cobalt mining district and they want to make it the wilderness range for Bighorn sheep. They say they need it as wilderness to control poaching. If the Idaho

Fish and Game cannot control poaching there without wilderness, perhaps they should go down along the Colorado River below Hoover Dam and study the bighorn range. A thriving herd of bighorns there seem happy to pose for tourist's cameras and poaching appears to be no problem. Let's have both cobalt and bighorns.

10. Many polls and surveys have shown that the wide majority of Idaho people want some wilderness but not more than 3.5 million acres total. Our governor and senior senator, however, are marching to the beat of a different drummer boy, it would seem.

11. With the Symms house bill 3.5 million acres total provides protection to the Middle Fork and main Salmon River drainages. Further the present regulations of both the state and USFS requires a mining and timber harvest plan in Rare II and multiple use lands which does protect the air, land, and water.

12. The democratic way to settle this problem would be to put it on the ballot here in Idaho and have our people vote on what we think we need and keep these outsiders from pressuring you to give us a wilderness area we do not want, don't need, and one which weakens us nationally.

13. A strong Idaho timber and mining industry can help avoid future Iranian type blackmail. We recall central Idaho's stibnite mining district which provided the nation with its largest producer of tungsten and antimony and another mine there was the nation's second largest producer of mercury, all surely needed by us during WW II. This area has been eyed by environmentalists and they had wilderness almost on top of it. Cobalt metal can become as strategic as oil is today and we could be blackmalled for this metal and others which we short sightedly lock up in wilderness.

14. Our group published a recommendation for acreages of Idaho wilderness to total 3.336 million acres in the April 21, '79 Statesman and we believe Congressman Symms essentially used those areas and acreages in his wilderness bill. We endorse this bill and its provisions.

LESTER KELLY,  
*President.*  
MARSHA SHRIVER,  
*Secretary.*  
H. FERREL ANDERSON,  
ERNEST OBERBILLIG,  
*Lands Committee.*●

## SENATE—Wednesday, December 5, 1979

(Legislative day of Thursday, November 29, 1979)

The Senate met at 8:45 a.m., on the expiration of the recess, and was called to order by Hon. HOWELL HEFLIN, a Senator from the State of Alabama.

### PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, our Father, we beseech Thee to direct, to control, and guide us through the hours of this new day. Grant that we may never for one moment forget Thy presence. Bind us heart to heart, mind to mind, soul to soul to all persons who serve this Government throughout the world, especially those in bondage or under threat of harm. Be in our minds to keep them clean and sharp. Be in our hearts that they may be warm with love

for Thee and for others. In the stress and strain of these troubled times, help us grow strong in the ways of Thy spirit and so set forward Thy kingdom. Grant us peace at evening and the certainty that, in light or in dark, Thou wilt never leave us, nor forsake us; through Jesus Christ our Lord. Amen.

### APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. MAGNUSON).

The legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, D.C., December 5, 1979.  
To the Senate:  
Under the provisions of rule I, section 3,

of the Standing Rules of the Senate, I hereby appoint the Honorable HOWELL HEFLIN, a Senator from the State of Alabama, to perform the duties of the Chair.

WARREN G. MAGNUSON,  
*President pro tempore.*

Mr. HEFLIN thereupon assumed the chair as Acting President pro tempore.

### RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

### THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Jour-

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.